

House Calendar No. 1

105TH CONGRESS } <i>1st Session</i>	HOUSE OF REPRESENTATIVES	{ REPORT 105-1
--	--------------------------	-------------------

IN THE MATTER OF REPRESENTATIVE NEWT GINGRICH--
pages 201 to 300

EXHIBIT 12

MAY-25-90 FRI 14:17

FAX NO. 0

F.01

COVER LETTER TO JEFF:

May 23, 1990

Jeff, I am faxing two documents, one a memorandum on the transition from AGW to ACT, the other a budget.

These are based on my understanding of where we are going on the very scaled down version of our productions that we discussed on our walk yesterday. They are obviously very tentative, but I need to have a general direction in my head to get everything started.

Newt came to GOPAC to make calls this morning. He has seen the memo and budget and has approved with a couple of comments, as follows:

1) He wants to lock in the three dates with his calendar and with studios as soon as possible.

He wants to be active in requesting : video's and in : the specs of what we need for them

While here Newt called Tim Robertson and : ed to him about really being a partner with us in produc : e shows. Tim was : excited and suggested a weekly 1/2 : show. Newt got him back on the track of a monthly hour show from now until the end of the year at which time we could make a decision as to whether to continue or expand or make changes.

Newt wants you to call TV Guide and find out their time schedule for insertion of program data. His idea is that we need to know this when we talk to the Robertson people.

Tim is prepared to come to Washington with his production, legal and administrative team to discuss this with us in detail during the week of June 4. The idea is for you (and me, if I'm present - I'll be here on Monday and Tuesday) to get the commitment from Tim, then work out the details with the technical people. It is our hope that the Family Channel will do everything - the production, the satellite costs, etc. We would do the program content, the workshops and such promotion as we can afford.

The challenge now is to start getting answers to the details of the program. Can you make a list of the things that occur to you that we can be doing before our meeting with the Family Channel, together with a suggestion as to who should do what?

Exhibit 12

WGC2-01335

1-20-78 10:10

FBI HQ 3

FBI

MEMORANDUM

MAY 26, 1990

TO: NEWT, JEFF, KAY

FROM: BO

SUBJECT: TRANSITION FROM AOW TO ACT

I am writing this memorandum in an attempt to give my initial ideas on where we go from here as we transition from AOW to ACT. The decisions discussed in this memo are still tentative and subject to change as we go forward, but here is where I come out now:

1. The decision to run our new TV program on a bare bones basis is a good one and should be adhered to even if we get the full funding requested from Citizens Against Government Waste (CAGW). This is true because even if we get the full \$250,000 from CAGW, we will still have to put up our matching \$250,000 and, regardless of funding available, it will be a better program, more capable of being a model for others, if it is inexpensive.

2. The Abraham Lincoln Opportunity Foundation is now being transferred to the GOPAC office. Judy Barrett will keep the books as a part of her job, Stacey Oswalt will be the full time Finance Director, Mark Colucci will revert to the conventional GOPAC for the bulk of his time, but will spend such time as necessary in wrapping up the AOW program and in supervising the interns for the new program. There will be no others on the payroll initially. Jeff Eisenach will be the Project Manager. The fee currently paid from GOPAC will be split to come from GOPAC and ALOF in a proportion to be decided later.

3. We will commit now to three workshops. One on July 21, the other two probably in September and October. It is hoped that by October funding is assured to continue the program longer. Over time, it is hoped that GOPAC and ALOF will ease out of the program and have others fund it. GOPAC can make a real contribution by spawning numbers of other successful projects that are taken over by others as soon as they are strong enough to do so. The fund raising arm of ALOF will be important, both to fund ACT now and to be ready to fund future educational projects.

4. We will send one postcard to all site hosts in the next ten days. This will thank them and ask them to host another meeting on July 21. All participants will receive a combination informational letter and request for funds around June 20. Site hosts will receive a final mailing around July 10. This mailing will contain a small inexpensive packet punched so that it can be inserted in the folder they have already received. New site hosts will receive a more complete, but still inexpensive packet. We will keep open our 800 number since the tapes should generate

Exhibit 12

MGC2-01316

site hosts. We will not pay for channel 20 in Washington. Promotion will consist almost entirely in getting in the TV guides and Cable magazines throughout the country.

5. Newt will have full control over the content of anything we do. He will continue to have this control in the future, no matter what additional funding comes in until such time as we make a conscious decision to turn all or part of the program content over to others.

6. The program will be done very inexpensively. All we require is a studio with professional quality lighting and camera work and perhaps room for a minimum of twenty in the audience in order to improve the quality of Newt's presentation and the rest of the program. Costs should be no more than \$15,000 and hopefully a lot less. We will try to get the Family Channel to agree to run the three programs on their network and furnish the studio, cameras and editing in lieu of the \$25,000 previously promised. If so, we might bring these costs to nearly \$0.

7. The present plan is to have a one hour show, about a half hour produced and the other half hour for a call in show similar to Larry King live. The half hour show could be taped in advance, but if we are having call ins, a live show is indicated. We will be checking out cost and practicability of the various options before making a final decision.

8. The format of the program is now set well enough that we don't anticipate the need for regular meetings as we had with AOW. We will have a half day meeting during the week of June 10 to review what we are doing and get suggestions. Invited will be Newt, Joe Gaylord, Eddie Mahe, Jeff Eisenach, Steve Hanser, and the producer. This meeting should be followed later in the week with a one hour meeting including the above plus Mary Matalin, Jim Finkerton, Ed Rollins, Rick Shelby and others such as Paul Weyrich that may be suggested by Jeff or Newt.

9. A draft budget is attached.

10. This memo is written on the assumption that CAGW will not participate in a major way. If they do, the budget will change and Alan Keys will be a major participant in all decisions with the only caveat that Newt control the content of the programs.

Exhibit 12

FUND RAISING:							
Personnel	\$2,600	\$2,500	\$2,500	\$2,500	\$2,500	\$5,000	\$17,500
FICA, etc	\$375	\$375	\$375	\$375	\$375	\$750	\$2,625
Travel	\$500	\$500	\$500	\$500	\$500	\$500	\$3,000
Overhead	\$500	\$500	\$500	\$500	\$500	\$500	\$3,000
Totals	\$3,875	\$3,875	\$3,875	\$3,875	\$3,875	\$6,750	\$26,125
PRODUCTION:							
Personnel	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$10,000	\$35,000
Production	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000		\$5,000
Total	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$10,000	\$40,000
ADMINISTRATIVE:							
Accounting	\$250	\$250	\$250	\$250	\$250	\$500	\$1,750
Rent, etc.	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$4,000	\$14,000
Legal	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$6,000
Overhead	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$4,000	\$14,000
Total	\$5,250	\$5,250	\$5,250	\$5,250	\$5,250	\$9,500	\$35,750
SUMMARY:							
Revenue	\$10,000	\$20,000	\$20,000	\$20,000	\$20,000	\$50,000	\$140,000
Fund Raise	\$3,875	\$3,875	\$3,875	\$3,875	\$3,875	\$6,750	\$26,125
Production	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$10,000	\$35,000
Admin	\$5,250	\$5,250	\$5,250	\$5,250	\$5,250	\$9,500	\$35,750
Total Exp	\$15,125	\$20,125	\$15,125	\$20,125	\$20,125	\$25,250	\$116,875
Net	(\$5,125)	(\$125)	\$4,875	(\$125)	(\$125)	\$23,750	\$23,125

WGCI-01338

Exhibit 12

EXHIBIT 13

Eisenach
4638

Key Factors in a House GOP Majority

Key Propositions

1. The fact that 50% of all potential voters are currently outside politics (non-voters) creates the possibility that a new appeal might alter the current balance of political power by bringing in a vast number of new voters.
2. Issues and ideas as articulated and defined by leaders are the keys to historic changes (e.g. the Jeffersonian, and Jacksonian Revolutions, the use of the Republican Party, 1854-60, both Bryan and McKinley in 1896, the Progressive movement, FDR and the New Deal, the Goldwater-Reagan movement).
3. It is possible to articulate a vision of "an America that can be" which is appealing to most Americans, reflects the broad values of a governing conservatism (basic American values, entrepreneurial Free Enterprise and Technological progress), and is very difficult for the Democrats to co-opt because of their ideology and their interest groups.
4. It is more powerful and more effective to develop a reform movement parallel to the official Republican Party because:
 - a. the news media will find it more interesting and cover it more often and more favorably;
 - b. the non-voters who are non-political or anti-political will accept a movement more rapidly than they will accept an established party;
 - c. opinion leaders, activists and resource-holders may find it more exciting and less restricting to participate in a movement rather than to directly join an existing structure;
 - d. the new vision, strategies, structures and doctrine can be implemented by activist Republicans within a movement without the delays and fights inherent in trying to formally shift the existing party structure;
 - e. those party elements which do want to embrace the new vision, etc. can simply do so since a movement is inherently inclusive and open to new supporters.
5. As much as possible, the House Republican Party, the Bush Administration, Senate Republicans, incumbent Republicans across the country, the NRCC, RNC, SRCC and the conservative movement should be briefed on movement developments; conflict within this broad group should be minimized and coordination maximized.

Page 2

6. The objective measurable goal is the maximum growth of news coverage of our vision and ideas, the maximum recruitment of new candidates, voters and resources, and the maximum electoral success in winning seats from the most local office to the White House and then using those victories to implement the values of a governing conservatism and to create the best America that can be.

Key Factors to be Worked On

1. Developing and testing the vision of "the America that can be". ①
2. Communicating our vision. ④
3. Developing a plan for a Caring Humanitarian Reform Movement including strategies, structure and doctrine. ④ ④
4. Recruiting and training movement leaders. ③ ④
5. Implementing and coordinating the movement plan. ③
6. Developing the principles of governing conservatism so any citizen, activist or candidate can take the vision of "the America that can be", apply the principles of governing conservatism and use the technique of "Listen, Learn, Help, Lead" to develop local issues. ⑤
7. Create a core set of key issues that we want to use as strategists through 1992. ②
8. Develop the model of activist groups and launch activist groups on the key issues. ⑤
9. Create the legislative fights and news media coverage necessary to make the key issues real and to energize the key activist groups. ⑦
10. Developing a system to fill the daily headlines so the Left has no vacuum to fill with their agenda. ⑦
11. Planning a 1992 campaign large enough to realistically give House Republicans a chance to elect a speaker. ⑧
12. Developing new model districts for Democratic incumbents (e.g. committee of 100, permanent offices and spokesmen, etc.) ⑥
13. Developing new model campaigns for GOP candidates. ⑥

Exhibit 13

page 3

14. Developing new models of resource gathering for money, voters, etc. (5)
15. Developing new models of communication for the news media, for opinion leaders and for voters (including current non-voters). (5)
16. Developing a new model of candidate attraction, so we have a screening rather than recruiting environment. (4)
17. Engaging in real efforts to change government and the laws so it is clear the movement is serious and not merely rhetoric. (7)
18. Developing a coordinating leading system capable of developing these 17 factors. (8)

Exhibit 13

Key-1

Key Factors in a House of Representatives

Key Propositions

1. The fact that 50% of all potential voters are currently outside politics (non-voters) creates the possibility that a new appeal might alter the current balance of political power by bringing in a vast number of new voters.
2. Issues and ideas are ~~the key to~~ as articulated and defined by leaders, and the keys to historic changes (e.g., Jeffersonian and Jacksonian Revolutions, the rise of the Republican Party, 1854-60, both Bryan and McKinley in 1896, the Progressive movement, FDR and the New Deal, the Goldwater-Reagan movement).
- 2 1/2. To truly be powerful, issues must be important in people's lives.
3. It is possible to ~~create~~ ^{articulate} a vision of "an America that can be" which is appealing to most Americans, reflects the broad values of a governing conservatism (basic American values, entrepreneurial free enterprise and technological progress), and is very difficult for a Democrat.

-more

Exhibit 13

Key - 2

to co-opt because of their ideology and their interest groups.

4. IT is more powerful and more effective to develop a ^{resource} movement parallel to the ^{OFFICIAL} Republican Party because:

- a. the news media will find it more interesting and cover it more often and more favorably
- b. the non-voters who are non-political or anti-political will ~~find it~~ ^{more} accept a movement more rapidly than they will accept an established party;
- c. opinion leaders, activists and resource-holders may find it more exciting and less restricting to participate in a movement rather than to directly join an existing structure
- d. the new vision, strategies, structures and doctrine can be implemented by activist Republicans within a movement without the delays and fights inherent in trying to formally shift the existing party structure

Exhibit 13

Key-3

e. Those party elements which do want to embrace the new vision, etc. Can simply do so since a movement is inherently inclusive and open to new supporters.

5. ~~The goal~~ As much as possible the House Republican Party, ~~ARCC, RNC, SRCC~~ the Bush Administration, ~~conservative~~ the Senate Republicans, incumbent Republicans across the country, the ARCC, RNC, SRCC and the conservative movement should be briefed on movement developments, conflict ~~should~~ within this broad group should be minimized and coordination maximized

6. the objective measurable goal is the maximum growth of news coverage of our vision and ideas, the maximum recruitment of new candidates, voters and resources, and the maximum electoral success in winning seats from the first local office to the white House and then using those victories to implement the values of a governing conservatism and to create the best America that can be.

- Mike -

Exhibit 13

Key 4

Key Factors to be worked on

1. Developing and Testing the vision of "the America that can be"
2. COMMUNICATING our vision
3. Developing a Plan for a Causing Humanitarian Reform Movement including strategies, structure and doctrine
4. Recruiting and Training Movement Leaders
5. Implementing and coordinating the Movement plan
6. Developing the principles of governing conservatism so any citizen, activist or candidate can take the vision of "the America that can be", apply the principles of governing conservatism and use the technique of listen, learn, help, share to create local issues
7. Create a core set of Key Issues we want to use as strategies for through 1992
8. Develop the model of activist groups and launch activist groups on the Key Issues
9. Create the legislative fights and programs media coverage ~~and~~ necessary to make the Key Issues real and to energize the Key Activist groups -

Caplan's
Role
(Leadership)
subset
of 3

DOCTRINE
(IDEAS)

-more-

Exhibit 13

Key-8

16. Developing a new model of candidate ^{attraction} & recruiting so we have a ~~strategy~~ of screening rather than recruiting environment

17. Engaging in real effort to change government and the laws so it is clear the movement is serious and not merely rhetoric

18. Developing a coordinating leading system capable of developing these 17 Factors.

Exhibit 13

Key-8

16. Developing a new model of candidate ^{attraction} & ~~recruiting~~ so we have a ~~strategy~~ of screening rather than recruiting environment

17. Engaging in real effort to change government and the laws so it is clear the movement is serious and not merely rhetoric

18. Developing a coordinating leading system capable of developing these 17 Factors.

Exhibit 13

EXHIBIT 14

WGC2 06081

GOPAC 3/30/90

CONGRESSIONAL BRIEFING W/NEWT GINGRICH

"AMERICAN OPPORTUNITIES WORKSHOP"

My apologies I'm not use to being up on one of these things. I'm use to being down in the middle of the first row and I really appreciate you coming up front. This also means I've probably now goofed up whatever pattern was evolving in terms of signing in on the sign in sheet. So, if we can send it back around one time if you haven't had this opportunity if you can sign the sign-in sheet. That would help us in just keeping track and then contacting you. I assume all of you know I'm Newt Gingrich and why you're in the Eisenhower lounge and your not in fact missing some fund-raiser or some other planning meeting you thought you were going to. I appreciate very much you coming over on a Friday morning and meeting with us, and what I want to do is outline an opportunity that I think is very important and that I hope that you and your office will decide you want to participate in, and I want to ask Andy Ireland also to explain what he is doing because he frankly is putting together a remarkable leadership effort in his own part to help us with this.

On May 19th we are going to host an American Opportunities Workshop. GOPAC is coordinating it but it will be a nonpartisan effort. We are going to have some elected Democrats. It will be an hour long television program, available by satellite to anybody who has a downlink. So, anybody who has a cable access channel, anyone who has a dish

Exhibit 14

receives personally, any corporation or school or church or hotel that has a dish receiver—there are over 1 million dish receivers in America now so -- it will be available to anybody for free. Later on we will also make available the hour of video tape for anybody who wants the actual video tape. The hour will include the President of the United States, the Vice President. It will include a terrific black woman state senator in Milwaukee who is a Democrat named Polly Williams who passed an educational choice bill for parents to really dramatically change parents roles in her community. Did it in a united black Democratic Republican Coalition against the Teachers' Union. It will include Keith Butler who is a black Republican elected City Councilman in Detroit. It will have five openings that are live from San Diego, California where Duncan Hunter is going to help us, from Sioux City, Iowa where Fritz Crandall is going to be hosting. From Portland, Maine where we're going to have the Governor of Maine and we happen to be holding it on a weekend when the New England Republican Exchange, which is state and local officials from all over New England are gathering in Portland, Maine so we are going to have a terrific event right there and former Governor Lamar Alexander of Tennessee is going to be their speaker so we are hoping that he and Governor Jack McKernan (sp?) sort of co-host coming out of Portland. In Detroit we are going to have Polly Williams and Keith Butler so we'll have a bi-partisan inner-city uplink, and then I'm going to be hosting an event in Atlanta. And our goal is to spend one hour giving you an intellectual framework for the 90's, laying out a way of making a very important, very decisive transition in language. And at the end of that hour to then have an opportunity in your local workshops to say, "Boy if these ideas are right, if there moving us in the right direction, then I'd like to be able to get involved, and I'd like to be able to say how does this apply to my school system, how does it apply to my county, how does it apply to

my solid waste problems" and so forth. Now that's a big order, so I want to walk you through a way of thinking for a couple of minutes so you can see how we're trying to move this and what we're trying to accomplish. And let me start by saying that in a sense we are trying to launch a citizens opportunities movement. This is not a Republican campaign gimmick. It starts with the premise that for America to be successful in the 21st Century we have to have a 1990's which is a decade of reform so that we are in a position that we are concerned – you know we've done this twice before in this century – from 1910 to 1916 you had the Progressive era and all of you studied about it in college and you had a real period that said the big cities aren't working, there's too much urban corruption, we have to adapt government to reflect modern industrial requirements and people really went out and changed things. Again, and it was bipartisan, you had Theodore Roosevelt and you had Woodrow Wilson, you had La Follette (sp?) – there was a whole pattern of activism. Then in the 1930s in the New Deal you had a wave of about six years from 1930 at least up to 1938-39 where Franklin Roosevelt moved to a pretty dramatic change—the New Deal. What we are suggesting is that when you look at New York or Detroit or Philadelphia. When you look at the problems of the Defense Department and share bureaucracy and red tape. When you look at the fact that America now takes ten years longer to introduce a new drug—I'm sorry it takes years longer – it's ten years total –than France, or Germany or Japan. It is more expensive and more difficult today to introduce new medicine in the United States than it is in most of our industrial competitors. And you just see, all of you just deal with this and think what your offices do everyday in terms of the sheer volume of casework, most of which is unlocking things that should not have been locked up in the first place. So we are starting with the premise that if you really want American to be successful in the 21st Century, we

need as a country a citizens opportunities movement. And we got to the notion of a movement from a very practical question. All of us in this room are the products of the Buckley, Goldwater, Reagan years of creating the modern conservative movement. If you just think about the extraordinary impact starting with the founding of National Review in the mid 50s, then the rise of conscience of a conservative in Barry Goldwater. Then the 1964 Reagan speech in October on television and then ultimately of course Reagan's victory as President. In a sense that pattern -- which seemed very, very distant and improbable in 1964 when Goldwater was crushed -- that pattern led to the success of what I would call opposition conservatism. It was opposed to Lyndon Johnson, it was opposed to the Great Society, it was opposed to Jimmy Carter, it was opposed to George McGovern, and don't misunderstand me, these are frankly very good things to oppose. But the essential argument was, "look how dumb the left is." In a sense I would suggested to you the 88 campaign for President was the last culmination of that model. That is, the real key to the Bush victory was we took apart Michael Dukakis and we said, "do you really want a guy who thinks murderers ought to be a practice adaptation on you on weekends? Do you really want a guy who vetoes the pledge of allegiance, do you really want a guy who looks that dumb in a tank?" I mean, we walk through a series -- and the referendum was a referendum in whether or not the Left could win, it was not a referendum on George Bush. Now we all face a problem which I'm sure many of you thought about. This is the 10th year you've had a Republican in the White House. I mean there does come a point when it is fair for the country to say, "okay you guys win, we believe you intellectually. The Left is dumb, now what?" And I think the now what has to be the transition from an opposition philosophy to a governing philosophy. And when you start making that transition, I think you discover something that is very, very important.

for all of us to confront. I'm going to both describe it for a second and then explain it. It is impossible for a Republican President or a Republican Congress to govern successfully within the structure of the Left. And the fact is, if the yardstick used to measure us is their yardstick we will never win. Because they've designed a game that in fact we ran against and so when we go in—let me give you an example—George Bush goes out to Palm Springs and stays with Walter Annenberg.(sp?) George Bush has been talking about a thousand points of light which our friends on the Left giggle about. It's sort of sign that he is inarticulate and weird and what does all that stuff mean. So Bush cares a great deal about the historically black colleges. Barbara Bush got to meet Lou Sullivan by serving on the Board of Morehouse Medical School. This is a truly deep commitment to ensuring that black Americans have a reasonable chance of access to higher education. The President raises \$50 million in one weekend because Walter Annenberg instead of getting a tax increase, writes a check. Now in this city that doesn't count. That is, when they look at the budget of the Bush administration for Black Colleges, they will not score \$50 million at CBO, The Congressional Budget Office will say. "That wasn't federal money, so it doesn't count." Yet, the essence of what Bush is saying is we can liberate a \$6 trillion economy and 260 million people and that is more powerful in changing the world than having 3 million civilian employees in a trillion dollar Federal budget. I recently was on a panel with a leading Democrat who said the country deserves more than a trillion, two hundred billion dollars. And I realized in his mind the Federal government was the country. In his mind you couldn't mix the two. So let me start with this notion: to make the transition from opposing the left to a governing philosophy, we have to establish at the vision level our language, our expectations, our yardsticks so people can measure us against the game we want to play and that requires a very conscious effort

and that is why we are talking about creating a citizen's opportunities movement and it does mean some Democrats are going to be on our side. They are going to say "yeah, that's right" and think about the fact that we've partially won this. I would come into all of you... Barbara Mikulski's speech as reprinted in the Post yesterday morning next to the editorial cartoon—the language values in that speech are almost exactly Reagan and Bush language values. Now I would also point out to you that yesterday afternoon, we gave them an opportunity on whether or not they believe in any of that language. We offered Bob Michel's motion to recommit which I offered but it was Michel's pay as you go amendment. The previous day we had a full half page of how Democrats care about pay as you go. Every Democrat quoted in the Washington Post in favor of pay as you go voted against the pay as you go amendment because while they can sing the language they can't in the end dance the dance. They can't afford to dismantle their bureaucratic welfare state. They can't afford to go out and make their allies angry and they can't afford to give up power which in the Democratic party means raising taxes to spend it through government. So we want to develop a citizen's opportunities movement which is open to everybody, it's nongarrisonian, it's not part of an immediate campaign because we want to develop the ideas and language of the 90's and it is very important -- most of you young enough that it is not a big problem for you but it is a very big problem for your members. Almost all of us who are currently active grew up in the 70's and 80's politically so we are use to the polarizations of that era. But I keep reminding my friends we've entered the decade of the teenage mutant ninja turtle. And I say that because, you know, common sense is pickering, and all of the various fights of the 70s are a long time ago by the standards of America. I mean in a sense what Doonesbury has been doing recently about rock music and what do you listen to and which groups matter is a

symbol of that whole pattern. The 90's if you look forward to the 21st Century so we're standing in 1990 looking forward, then it's incumbent on us to invent a language which explains the next 20 years not to simply assume the set of fights that came out of the last 20 years, and in that sense George Bush's kinder gentler thousand points of light, the conscious changes and style from Reagan-- you know, from very few press conferences and an occasional big speech at night to 1600 press conferences randomly held randomly around the White House -- is a very important symbol to the rest of us-- we must be responsive to the 90s and not try to convince the 90s to vote as though it was the 70s. Now in that setting here;s how we hope to go about it. Our goal is to have a workshop in as many places as possible hosted by as many people as possible, open to everyone. I've encouraged the College Republicans to challenge the College Democrats to co-host them, for example, and to say just flatly, we want every American citizen who is interested in the 21st Century and interested in the future and who wants to develop a better America and who wants to improve their life and their families' life and their neighborhood's life, we want them to feel free to participate and in a lot of places if you get on the cable access channel, of course people can just turn on their cable and get up on Saturday morning and drink coffee and watch it right there. But we really want to make the widest possible range. We already have as of today something on the order of 350 sites that have been identified of people who are going to host things. We are in 49 states, we are missing Hawaii right now but I have talked to Pat Seike(sp?) and a number us have volunteered to go out personally and scout that last sight. We are going to be in all 50 states. The National Review has committed to publishing a special supplement which will be mailed to all of its hundred thousand subscribers and will be used as a workbook that day on the premise that they help launch phase one of the

movement, they oughta help launch phase two and Bill Buckley is very excited about what we're doing and I'm confident we're going to get a column out of Bill encouraging everybody in the country to participate. What we also in order to develop the intellectual framework of assembling or in the process of still assembling a very large team who are working on the idea base. I've talked for example last night with Michael Novak is going to help us in thinking through the language and thinking through the pattern development, Jack Keupp is helping us with the inner city part. We're stealing some things from Jim Finkertson at the White House who is on our advisory committee, and from Dick Darman. And we are really trying to reach out and really involve a whole range of people in looking at new ideas and new approaches. We've asked Congressman Fred Grandy, Dick Aron and Peter Smith to help us and Don Rimer to help us work on the idea side and to look at the scripts and help develop it.

In addition, in order to make sure that we are talking a language which is acceptable, that is for people who suddenly say boy is that weird, we have the largest focus group project ever undertaken by the Republican Party. Bob Teeter and Fred Sleeper are in charge of it. Wilma Goldstein who some of you know is working on it and we are having 23 focus groups — as all of you know a focus group is when you get 15 or 20 people in a room and you get them to talk for about 2 hours. We are taping and transcribing that data base so that we will have an enormous data base of what words work and what words don't. And we are really consciously trying to think through—by the way you will be interested to know the people in the focus groups that we are listening to are under 40 non-voters. That is a very important distinction about the '90s. The world has been turned on its head. When I entered

politics in the early 60s, the Republican party was older, registered and one of the fewest possible votes. We prayed for rain. And our theory was go where the ducks are and you try to find the Republican precincts and maximize registration and maximize turnout. And, of course in that era the older voter was the pre-depression Calvin Coolidge/Theodore Roosevelt voter. In the 1990s, we are younger, unregistered, and want a bigger turnout. This is actually a formulation that Joe Gayford came up that I think is very helpful. I want you to just walk through that for a second. Younger, unregistered and larger turnout. We are now the party that wants the sun shine except nowadays the sun shines and they all go to the lake so maybe we want rain again for different reasons. But we want to have the largest number of people registered, we want to have the largest number of people turning out to vote and we want to organize the young. That is a very different Republican party than the party of even 10 years ago. It is a radically different party and so part of what we are trying to do is focus groups is go to half colleges and half non-college, people who are under 40 who are not registered.

- a. Make sure none of our language alienates them, and
- b. Listen to them describe what they want

and what we learned as of today -- we've had reports on two focus groups. And what we are learning is fascinating. Let me first tell you the model we're using because I think that that model will help you understand the framework and then I'll tell you how they're reacting to it. They get to see some videotape and the videotape says we have a lot of problems in America and you can summarize those problems as being caused by the b eaucratic welfare state. Now we use that term deliberately. A lot of you know that in the early 1980's we said to maximize the word opportunity as a Republican word and to maximize economic growth

and jobs and again if you read Mikulski or if you read the Democratic Leadership Council you'll see how far we won those fights and then we set out to talk about the liberal welfare state and by 1988 Michael Dukakis wouldn't use the "L" word until late October. So designing language can work. What we've discovered is overwhelmingly the American people believe there is a bureaucratic welfare state, they know exactly what the term welfare refers to and they hate it. There is an enormously deep sense that is not working, that is the line I stood in last month that was very slow and very ineffective, that was the 23 pages of regulations I had to fill out, that was the reason something went wrong when we sent in our Medicare—there is just a general sense that's that system that isn't working. So we think we are going to be able to report to you unequivocally the bureaucratic welfare state is a devastating term that everybody ought to figure to get in their legislation mail with something you are trying to change and that it works and that if we imprint it so that the news media has to use the term, then we have an enormously long term advantage. Second, we are discovering that as part of what makes the bureaucratic welfare state really fail we're talking about permissive attitudes, promoting Johnny when he can't read, letting a criminal out on the weekend when their time isn't up—all the things you would associate collectively as permissive attitudes. And we're discovering two things. First is, people do identify with them and they are very, very angry about it. In every group we talk to them, we say what do you think is most threatened about what makes America work. And every group so far has said values. In fact, we saw one videotape as we video tape all these focus groups and there is one video tape where the guy gave them three options, and it was like listening to a chorus yell values—they were that intense, they were that immediate, there was no question in their mind and we walk them through a series of horror stories. One of which all of you know is

about the man who attacked the actress 11 years ago and he is now promising to kill her if they release him and they're talking about releasing 7 years early for good time although he is openly saying he is going to kill this woman. This is all a true story, it is happening right now in California and the reaction was overwhelmingly--it was summarized by one woman who said, she is sick and tired about being told about good time. She wants prisoners sent to jail for a wet sentence and if they act badly they get bad time. So you can add on automatic x-number of years and everything that you do that's wrong we keep adding years. But the sense of anger you can hear in the tapes is unbelievable. People are sick and tired of being told that the government can create a privileged elite, that for various reasons or other reasons get away with things that the rest of us don't get away with. Phil Grunzo's line is that in many west Texas courthouses, the only air conditioned room is the jail because the federal judge has mandated that that has to be air conditioned. And then the level of potential anger in terms of cultural values is enormous and we're finding very strong enforcement.

We're then offering an alternative. And we've tried to first of all define the language which explains what isn't working; what I call the structure of the Left, but...and that's the bureaucratic welfare state and permissive attitudes.

We then suggest the following: That there is a triangle of American success and on the videotape we actually right now have 3 lines that come out and then they come together into a triangle. The first side is: ENTREPRENEURIAL, FREE ENTERPRISE; and by Entrepreneurial free enterprise...let me give you the three lines first. The first line is entrepreneurial free enterprise. The second line is TECHNOLOGICAL PROGRESS AND INNOVATION and the third line is BASIC AMERICAN VALUES and they come together to form a triangle. And with entrepreneurial free enterprise we show pictures like Benjamin

Franklin and Henry Ford and Thomas Edison and our point is both business, in the sense of entrepreneurial, but it's also Jonas Salk discovering Polio, it's the Wright Brothers inventing the airplane. It's that whole drive that says if you want to go do something go do it, try it out, see if you can make it work. It's William Hornaday(?) founding the New York Zoological Society to save the American Buffalo. It's that whole notion that Americans organize and make things happen.

The second line is technological progress and the focus groups have added the word "innovation." And they deeply believe: a) that it's a core value of the United States and b) that were in danger of losing. And they see the bureaucratic welfare state as part of what's killing them. The notion that the Wright Brothers nowadays would have to fill out forms for four years in order to get grants and permission to try to fly at Kitty Hawk. And so there's a whole underlying pattern of intense desire to re-establish technology. An identification of technology as a source of our prosperity and of our quality of life and in a sense that that suddenly needed to go back and strengthen, that we're in danger of losing it to places like Japan and Germany.

Third, when we asked them what do you mean by Basic American Values? A phrase you may again want to just steal and use because it comes up over and over and over. The most important single American value is honest hard work. I mean to a degree that's amazing. I tried out and having heard the focus groups I did a highschool class in Lithia Springs(?) Georgia on Monday and I talked about honest hard work and it was amazing to watch. I mean I just said if any of you think you're gonna compete with the Japanese by cheating on tests, you're crazy. And you're gonna end up unemployed and you're gonna end up complaining and it ain't gonna be the politicians fault, it's cause you've learned how to

cheat and you don't engage in honest hard work. And we have to emphasize honest hard work. And I reuse the phrase about 9 times in 3 minutes and finally a student raised her hand and said, "Well, we don't have a system that rewards honest hard work. We have a system that teaches me to do what the teacher wants so I can get the grade and then just slide through as easily as possible." And the whole class suddenly got involved in this long dialogue about would you change it and how would you get involved. And I mention that because I think if we are the movement...if the citizens opportunities movement is the movement of honest hard work and we say to people, "Look, if you want an answer which basically says that you don't have to solve the problem, go somewhere else because we're not gonna do it. We can't offer you that. If you're willing to get involved with honest hard work we can help you solve a problem but it's gonna be a partnership, it's not gonna be the bureaucratic welfare state doing it for you."

My guess is, and we don't have any kind of statistical data yet, but my guess is that that's probably an 8.5 to 12 issue. That is 85% of the country, yes, we're with the group that insists on a partnership where honest hard work is the prerequisite. We are not interested in a deal where you don't have to do your share. The implication for that for welfare reform, for prisons, for a whole range for school -- the implication of that kind of qualitative reform rather than quantitative increase is enormous.

We summarize the triangle of American progress with one sentence. Common sense focused on opportunities and success. It's a very radical sentence. Our concept is do we want to spend all of the 90's applying common sense focused on opportunities and success. And let me break it in two because it's a much more radical sentence than it sounds like. Applying common sense is antithetical to modern bureaucracy. Go into any bureaucracy to

America, whether it's your local school board or the defense department or what have you and you walk around and you said all right, I found five ways to improve what you're doing. Four of them will be against the rules, the fifth one they'll refer to committee. If you think I exaggerate, go try it somewhere. So the concept of what used to be the hallmark of America, without pragmatism...a William James phrase...the concept of applying common sense and making things work is by definition what a bureaucracy is designed to stop. Bureaucracies are designed to say to you, do it this way. And so the whole notion of applying common sense is much more fundamental than people think. The second half of the sentence is equally different. Focusing on opportunities and success is antithetical to the world of permissive attitudes. Remember, permissive attitude and the beauracatic welfare state focus on what's wrong. You get 40 articles about people who are trapped in the inner city. You get articles about people who can't find housing. You get articles about people who can't get a decent job. I mean, you can have 3 percent unemployment and they'll find the two people left. And they'll be the stories. It's very hard, and you can go out and test this by watching TV or by looking in your newspaper, it's very hard to get the article about the 27 year old black male who made it out of the ghetto and who is now a success. Yet I would argue that that is the most important story. Not so you feel good, but to send two signals. To send a signal to 9 year olds in the ghetto, yes you can make it and then to send the message here are the 5 or 6 behaviors that matter. What were the lessons of getting out of the ghetto? What habits did you have to acquire? What steps did you have to take? Now in the 19th century we had a much more activist attitude of saying, Let's report on a success so other people can learn how to orient their behavior and how to change their lives and how to shape their values.

Let me give you...there's just 2 examples to think about: the sports pages are the last holdout of 19th century reporting. The sports pages focus on winners, they have interviews with champions. Can you imagine if the sports page was written like the front page. None of the final 4 games would make the sports page. I mean they're winning so they're not a story. But there would be this terrific interview with the most losing basketball coach in America. And they'd ask questions like, Do you think we oughta have a set aside program so that your team is guaranteed at least 4 victories a year for morale purposes. Or, Should the rules be changed some so that you can have a chance to win. Should we allow you to get 4 points per shot when you guys finally get the ball in the basket. Or, How traumatic has it been for your family trying to live through this kind of a depressing experience. (laughter) You know and you have this long elaborate sad story...and if you think I exaggerate go and clip any newspaper for a couple of days and look at the tone and language of the front page and then look at the tone and language of the sports page.

Or I'll give you a different test. I would assert, and measure this against your own experience, I would assert that if Thomas Edison had written I mean if Thomas Edison had invented the electric light in the age of the welfare state, that it would have been reported in a story which Dan Rather would have begun with the following...The Candlemaking Industry Was Threatened Today. (laughter) And Ralph Nader would issue a report which poisons out that electricity kills. And that capitalist companies should not be allowed to rip off the poor by selling these electric lights, since that might in fact kill them. And again, if you think I'm exaggerating, look at what we do with medicine as compared to Germany and Japan and France. We are increasingly so protective that we are blocking people from getting the medical protection they could get because the government protection is more overwhelming.

than the medical protection. So you die while waiting for the medicine to be available which would help you not die because we don't want to run the risk that you might die. And if you think I'm exaggerating, go look at the reports. Go look at how we're structured.

So let me summarize for a second, what you will get as the core of this hour on television is the bureaucratic welfare state and permissive attitudes, the human damage they are doing. The fact that real people in real situations are being crippled by this structure. The 13 year old boy in New York got gasoline doused him and he was set afire. The number of children who are sent to schools that we know statistically will not teach them. The problem isn't the children, the problem is the schools. If you have a school in which 80% of the kids are dropping out before they graduate...if this was a private company you'd close it. Can you imagine going to a McDonald's where 80% didn't get the Egg McMuffin. And so there's a systems problem here. Then we're gonna spend most of the time, we're not gonna spend frankly more than about 8 minutes or 10 minutes of the entire show, outlining what's wrong. The rest of the show is gonna be devoted to a systematic outline of how the triangle of American success works, why it's different components work, how to apply common sense focused on success and opportunities and a series of winners. I mean people who have in fact been doing this for real in their community. Part of the reason we came up with the concept of the triangle, was to establish the notion that any point inside that triangle is better than the beauracratic welfare state and permissive attitudes. Now that means you can decentralize America because you can liberate and empower local government and local communities and say to them, Virtually any experiment in healthcare is gonna be better than what we're currently doing. Virtually any experiment in education is gonna be better than an 80% dropout rate. As long as you're inside this triangle, as long as you're applying honest hard

work and you're engaged in entrepreneurial free enterprise, basic American values and technological progress, you're probably making the right experiment. And that the way to invent 21st century America is not to have big national conferences in Washington that come up with the one right idea, it is to liberate the American people so that there are several thousand experiments and then we're all gonna copy the ones that work. I walked through this model and testimony yesterday for the Public Work Committee on Infrastructure and much to my delight was told by a member of the Committee that MIT had testified last week that they had found a way to do the equivalent of secondary treatment for wastewater for 5% of the current cost, but it's illegal. EPA will not approve the MIT discovery and it make take an amendment to a bill in the Congress to change the federal law which blocks us from using the technology which could provide clean water at 5% of the current cost. Now a society which does that to itself is dumb and is unnecessarily increasing the human cost of living in America. Our goal will be to lay out this framework, then to have a workbook, and here is an example of one of the workbooks, a workbook which is available and to have the National Review Special Supplement and then to enable the local workshop leaders basically to say, All right what are we doing? How do we apply this to our community? How do we apply this to our neighborhood? It is our guess that...our current planning is that we will have a meeting in Washington probably in June, for anybody who wants to come to it, to assess the workshops, that we will almost certainly have one and maybe two more nationally televised workshops before the end of the year. In which again, by that stage we'll be sort of like the home video film thing, we'll have people sending in their entries, the 10 or 15 most interesting positive applications around the country will be the ones that make the next workshop. So we'll build a momentum of positive language. It is our goal to define our

position as a caring humanitarian reform party applying the triangle of American success and applying common sense focused on success and opportunities to explain in general terms for the whole fall campaign, and again some Democrats will pick up the language and this is open to everybody, this is a free country...we think on balance it is vastly more advantageous to us than it is to the Left since they are the party of big city machines, they are the party of the unions, they're much more tied to the bureaucratic welfare state. But it's our goal to be able from May 19th on, to begin to develop all this. In order to have this work, what we hope you will consider doing is recognize that this is an opportunity to change language, it is an opportunity to organize volunteers at a very low cost activity which changes their pattern and their habit and their language and gives them a new set of things to do and give them a connection to the bigger world. A school board member who suddenly says, gee, there are people all over the country who are trying out these ideas, is a lot more bold and a lot more committed and a lot more risk taking than a school board member who thinks their isolated and nobody else thinks like they do. So we want to network people together and give them a sense that they are part of a movement of change. In addition we think that combining this hour plus the workshop plus the workbook plus the supplement is gonna give your volunteer activist a new level of skill and a new level of ability to solve local problems so that in a sense, we see politics as recruiting 55,000 government officials at all levels so that all of them are playing their fair share. Not simply recruiting school board members to watch a speech by the Secretary of Education where he solves the problem. But instead to liberate and empower people at all levels of government and frankly at all levels of voluntary activity.

There are 2 steps to it. On April 26th we will have a Press Conference on as many sites as possible around the country. We'd love to help your help and your offices' help in

systematically reaching out and trying to find us some folks back home who'd be willing to hold a Press Conference that day saying, Yes we are going to have a workshop, yes we want to invite people to come to it. The purpose of that is twofold. It is to prove organizationally to the National Press that this is a large enough effort that they have to cover it and it is to begin to create a sense of interest locally because local reporters are covering the local event which has a national implication and that then gives the Press Conference participants a legitimacy to go out and go on talk radio and go to civic clubs and go to local schools and be active as a civic organizer explaining this new language and these new ideas and trying to maximize the number of people who get involved. And then as I said earlier on May 19th at 10:00 in the East, 9:00 central time, 10:00 in the mountains, 9:00 pacific time, we will have a broadcast which will be available for anybody who wants to participate. So we think we're offering a pretty good package.

One of the members who has really gotten involved in doing this is Andy Ireland and I would like to ask Andy to just tell you what he is doing in Florida because he has made ...Andy has purposely set out having left the party of the bureaucratic welfare state and permissive attitudes and joined the party that shares his basic beliefs. Andy has now encouraged an amazing number of Democrats to follow him. I had the privilege of flying down there to speak at an event and as I got off the plane they said, we want you to meet the swing vote on the county commission who in honor of your visit is switching parties. They then switched from the Democrat majority to a Republican majority in the county commission in its biggest county and I told him I would be glad to come back on a regular basis if they would promise this kind of ...it was the most interest gift I'd gotten this year. And he is doing an amazing job at helping transform central Florida from Democratic to the Republican

party and he understands I think as well as any member the kind of potential impact you could make with these kind of ideas. So I thought I'd get Andy up here to explain exactly what he's doing organizationally and then I'll take questions and the whole bit. Andy come on up. [End of side 1]

[Side 2]...Andy speaking:

Thank you Newt and I came to this meeting with enthusiasm. I have even more enthusiasm after listening to Newt and I want to give you kind of sense of the American Opportunity Workshop from my point of view. I'm clearly excited about the opportunity in committing not only my time but my staff's time and literally hiring a member on my campaign staff to make all of this work. I'm convinced that it is really an exciting opportunity to get the message that Newt has just described across to the entire United States. This excitement, of course, means one of two things. Either Andy's crazy or he's really on to something. I don't think I'm crazy. I think that we have a real opportunity with this program on May 19 and indeed beyond that for anyone who wants to translate the frustration of the public in the bureaucratic inefficiency that's going on in America translate that bureaucratic inefficiency that red tape into votes, into support whether it's at the local level or in Congress or on into 1992 in the Presidential race. I got involved not just because Newt's a good guy. He is a good guy.

Not just because Newt can explain and get across to people the things that are inside of each of us and it is remarkable how he does that. He described how he did it in one county in central Florida. But I got involved because I think that it will work and it will work for all of us and it is the kind of thing that encapsulates what Newt is talking to and the only thing that would be better than doing this is be able to clone Newt and all that technology in his triangle

has never been able to do that. But let me tell you I heard Newt talk about this at the embryo stage of this event and conspired with Jean Moran on my staff and I said well I'm going to talk to a little Chamber of Commerce group in Manatee County, Florida and I'll just at the end of my talk I'll throw this open. Well, I, you know, said something about this workshop as best as I could describe it at that point was going to happen and I couldn't shut the meeting down. The people wanted to submit ideas and plans and what not. It turned them on. I thought well, focus group number one on Andy's part. Before I get carried away, I'll just try it again. Tried it again in another on a different circumstance, different kind of people in my district, same reaction. It just turned them on. The President of Wellcraft Boats - I think many of you have seen a Wellcraft boat. They are made and shipped all over the United States. He came unglued. He had a letter back up here before I could back up here and it's been bugging our office how do I set it up, what do I do? So I'm convinced that it will work and it will do the kind of things that Newt describes. Of this person I have hired to help out in the state is Jill Herndon if you'll wave back there you all can meet and she's been on the trail here for a little while and anything that she can do to help and later on we've got a little hand out with her name and number on it so in between all the other information you have if you want to check with Jill and see how some of our activity is progressing that might help you certainly give her a call. Her job is to promote the workshop not only in my district but around the state of Florida because we want to help out in that regard. She is going to assist leaders that we identify in developing agendas for their workshops, help them in identifying local stories in their communities and help them get the word out in anticipation of the May 19th event. We've targeted 15 communities in the state of Florida. Several of them, of course, in my district but the others are a little outreach

program to help out to get into the media markets, to showcase in those local stories and we are going to be cross pollenizing from everything that we've learned and learn down there to make that a success. We will making our campaign mailing lists available to people in all those areas and leaders that we identify. We'll talk to other congressmen in such that we hope the list to get involved where there is an area were there isn't a Republican congressman we will be reaching into there with other lists to help the people generate the attendance, the enthusiasm to make it all go. So what will we achieve by all of this. Of course, we'll focus the attention of each local community and those individuals on the fact that the solutions as Newt has so well explained of the last 25 or 30 years the liberal solutions, the welfare state solutions will focus dramatically on the fact that those solutions don't work. In doing so will generate names of people, addresses, telephone numbers of people that share that belief and by their energy we know that we will be able to count on a vast majority of those to help out as we go along. So as we get this message out we'll be generating a data bank, certainly it will help in the campaign, it will help across the state of Florida. It will help across the nation to mobilize the people that feel that way. One of the things that we anticipate beyond that so you can see that there are their many ways to do this, I feel very strongly about the side of the triangle all sides of the triangle that Newt's talking about, but also particularly the entrepreneurial small business side of that triangle. And as you can see very quickly the opportunity concept that will be coming out in this workshop lends it to bridging into generating from those that participate that are involved in small business setting up organizations of small business men who for the most part all are oriented in our direction. Have them set up and carry this forward into the campaign and beyond. Obviously, whatever your member is particularly interested in it certainly fits into that triangle whether its small

business, whether it's technology, whether it's simply the values. It can be done and the workshop is to me the opening gun that starts that campaign off. Certainly we'll share anything that we're doing on the entrepreneurial side with any of you that want to follow up on it. The main thing that I would say and the final thing is this is an outstanding opportunity for your member to be involved. The format is there, your members are talking about this thing and gives the background, the terminology to explain what we're all about and make this great change to an opportunity society that we need. Anything that I can do, that Bill can do, Juan Moran, anyone on our staff to help you to make this thing work, we're ready to go and if she can't find it, the TV and the satellite come to Florida because we are going to cover the state. Thank you.

GINORICH: Thank you Andy very much. Let me make only two last points. First, if you have not gotten a copy of Jim Pinkerton's speech. Pinkerton is the chief long-range planner of the White House. It is called the New Paradigm. I read it in the Record a couple of weeks ago but you can also get it from his office. I think it is a very serious effort to explain where George Bush is going and is a very helpful document to help you think of your own members legislative initiatives and where you want to go and what your trying to do. Now it's reinforced, by, if you look at the President's budget. If you read page 3 which is the President's one page statement and pages 171 to 180 where Darman really lays out the scale of experimentation in America and welfare the environment, transportation, education, healthcare. It is a remarkable nine pages. Lastly I was going to make the point one of the reasons we are reaching out and we really urge people to be nonpartisan and be wide open. But we have two reasons. First, there are a lot of former Democrats. Andy Ireland, Ronald

Reagan, Phil Gramm, Jean Kirkpatrick, Connie Mack, you go down the list, a surprising list of people who looked at both sides and decided we were right. That we were more open, we were moving in the right direction, but second, most young people under 40 are not politicized. The minute you politicize this and you make it narrow and you make it partisan. You lose them. They may be very interested as citizens in turning the 90's into a decade of reform so that their country is better off and they are better off. They are not particularly interested in getting in a partisan fight. So that the best of all politics for the 90's may be to reach out to everyone and be willing to win the argument of ideas. Based straight up and down on whose ideas are best rather than a narrower partisanship. I know that some of you find that coming from me given my reputation unusual but I think you've got to respond analytically to the reality of the world you're in. The country needs reform, the country deserves a citizen's opportunities movement and in order to have a true citizen's opportunities movement we have to welcome all citizens into the process which is how we're trying to approach this and we are very seriously working with several Democrats who have decided they share our values and therefore part of the broad coalition that we represent. Let me throw it open to questions and simply ask if you would use that microphone because they are taping this. This will become the GOPAC tape for this month which goes out to about 5,000 elected officials around the country and state legislators and county officials. So anybody who has any questions on how to implement this or what it's about, or why we are doing it. Feel free, you know, to ask a question and if we managed to answer it all, I won't.

Go ahead. If anybody else has one, go ahead and fire up that will save time and we will get this done quickly.

Question Man: Congressman. It is on?

I don't know. I assume its on? Is it on?

Newt. He says it's on. He's listening through some magic head phone.

Man: Okay. When you speak about workshop I think of a smaller forum which I can see how this can work, but as your speaking also think of our possibility having a larger group, having a large group of individuals say to a civic center. We have a big civic center. Do you see the prospects of that working. Having a large group do it and then have some interaction that way or do you have a more focused way in plan.

Cingrich. No, I think my advise will be if you get above probably twenty, then you start thinking about breakout sessions. Then you either break out based on geography or topic. That is you say everybody who lives in this particular neighborhood go over here, or you decide you know, you can do it both ways. You can have a matrix and say everybody who cares about how this applies to education, you're going to meet in that corner of the room. It's really important I think that once you get beyond the televised section which by definition

We are trying to make the televised section interact with five uplinks. We are working pretty hard at this. But once you get beyond the televised section it is important that we are empowering citizens to be liberated that we want the citizens to be involved, and I don't think you can get very involved in groups of much more than about 20, in fact the ideal model is probably 12-15. But you want settings where so if you decided that you are going to pull together a lot of people in one place then you ought to bring together probably a week earlier a lot of workshop leaders and designate some leaders and say all right now when we get done seeing the TV part and having a brief, you know, rally kind of the effect to build a motion

now let's break out into our discussion groups and then take people off into --and let people choose what discussion they want to go to. But I really think that's a very important component of this is getting people to talk it out and think it out and interact with each other and get into the habit of saying yeah this is for me to use and do this is just not for me to applaud somebody else using and doing. Any other questions or concerns you might have or any recommendations you might have for what we ought to do differently or do better... yes kids' are.

Woman: I'd like to ask, what kind of activities do you foresee coming out of the teleconferences?

GENGRICH: Well I see a lot of kind of activities. Some of them have already begun to be evolved on their own. In Colorado for example, Perry Consodini(?) is putting several items on the ballot as his initiative because that's what he wants to do. In a number of places we would foresee voluntary groups forming and getting together to pursue their particular approach. One of the things we are going to recommend is that people really look at a dramatic increase in recycling but that they try wherever possible to make it profitable. That recycling ought to be designed in such a way that it is privatized as much as possible and involved. An experiment I'm running, I'm going to do on my own to give you an idea of breaking out of the system. I'm very concerned about literacy and I've heard all these talks about you have kids who come through Headstart they just start to learn and then they fall off. Around 2nd or 3rd grade you begin to lose them and people say I wish we had some incentive. We know that if you go back home and your parents care and your middle class you are likely to read, but if you go home and it is a single head of household and you're in a household that isn't used to reading we don't know how to give you an incentive. Well,

applying the triangle, I mean one of powerful incentives in America for everybody else is money and all of you know this because you go through all sorts of negotiations about the salary you're paid and what you do next and somebody comes along and offers you twice the salary and suddenly you have the incentive to consider a new job. Okay. So this summer I'm taking some of my speech money and we're setting up what we're calling Earning by Learning, and were simply going to pay \$2.00 a book to third graders for every book they read this summer and we're taking a public housing area that has kids that probably aren't going to learn how to read if left to themselves. And we will report back at the end of the summer if it worked but for a surprisingly small amount of money I suddenly have several professors and a bunch of teachers and all sorts of folks excited about this experiment. Our theory is simple, a kid shows once a week, they want to buy a bicycle. Read eighty books. And let's keep giving you cash as long as you read real books and as long as an adult can take that book and ask you questions and conclude you read it and we're going to work the whole summer that way and I'm not arguing that that's the best way to solve the problem. I'm giving you that, I didn't go to get a government grant, I haven't set up some massive program. I just went off on my own. I mean the thousand points of light is inherently correct in the sense that the Smithsonian Institution was a private grant, the American Museum of Natural History in New York is a private operation, the Atlanta Zoo has been privatized, it's still city property but it is under contract and there are many ways to solve these problems and our goal in phase 1 is basically to say, gee if these principals are correct, what do you think you ought to do and you can do it as a private citizen, you can do it as a neighborhood group, you can do it as an activity oriented group or you can do it in terms maybe experiments that your local government decides to undertake. And, you can also as I

challenged the county commissioners last week, you can decide that one of your assignments is to come back to Congress and say if this critique of the bureaucratic welfare state is right and this critique of permissive attitudes is right and if this model of the triangle of American success in applying common sense focused on success in opportunity is right, fine. Then you guys in Congress better change the following twelve laws. And I challenged the county commissioners that said come in here with a legislative agenda of de-bureaucratization. Tell us what we ought to repeal. I raised this issue yesterday on the Infrastructure hearing and one of the members, Basco of California raised it, is a Democrat and he said the State Highway people last week what percent of their federal money is eaten up in beauracracy, the answer was 25 percent. Now we're talking about a \$125 billion program in the 90's Twenty five percent going up in paper rather than being built in highways would be \$30 billion It gets to be real money after awhile. So I said fine. Why don't you guys hold a hearing and challenge the State Highway Commissioners to tell you how to debeauracratize the program. Now we're starting a whole new layer of debate and argument on our terms about our values recruiting allies in the country to help us to decentralize America. And so I think all of those layers anything in that zone could happen and it could make a difference. Okay.

We'll let me say I am very excited to work with you and I think all of you have the GOPAC material and you have the 800 number. Anybody back home who wants more information they can just call that number for free. We have operators over there. GOPAC is right here in town and you can call. We do want to coordinate. Andy's office is doing a fabulous job and if you want to coordinate with them, they really are a marvel on how to get this thing done. Thank you very much for spending the time this morning.

EXHIBIT 15

MSI 0027

780532?

GOPAC FOCUS GROUPS

ANALYSIS

Prepared for:

GOPAC

Prepared by:

**Market Strategies, Inc.
July 10, 1990**

Exhibit 15

MSI 0030

RESEARCH DESIGN**Purpose**

This research project is part of an overall effort to build a new governing majority in the United States formed around conservative principles. Historically, building a new majority has involved three essential tasks: activating a group of non-participating citizens to support an existing party (or form a new party), constructing a theory or explanation of what is right and wrong in society with which the non-participating citizens agree, and developing the right language (political rhetoric) to communicate that theory to the non-participating citizens. This project is the first of several research projects to be sponsored by GOPAC to help achieve these three tasks in this decade.

In this project a particular theory is tested for its potential to mobilize a new governing majority. The theory cites government bureaucracy and liberal social engineering as the two primary causes of what is wrong in our country or, at least, as the primary obstacles to solving the country's leading problems. Its explanation of what is good in our country focuses on three factors: Americans' enthusiasm for new technologies to solve problems, free enterprise as the best system to free people to apply their ideas to problems, and the basic values and common sense of the American people which guide them in their solutions to problems. The project also tested a possible language to communicate the theory. The theory's explanation of what is wrong in society was put in terms of the "the bureaucratic welfare state" and the "values of the left." The theory's explanation of what is good in society was put in terms of "technological progress," "entrepreneurial free enterprise," and "basic American values" which were summarized as "the Triangle of American Success."

The project assumed that the theory and language were effective to frame the overall debate with elite populations and could be used with them provided that the general population did not have a negative reaction. As a minimum result, the project was to determine if target voters found anything in the theory or language that was so objectionable that its use with elite populations would run the risk of alienating the general population.

The project also assumed that the theory and language would not be totally accepted by the target voters in its initial formulations. The initial theory and language were meant to serve as a means to stimulate people's thoughts about the country and reveal what theory

RESEARCH DESIGN

1

Exhibit 15

MSI 0031

and language people used to explain what is right and wrong with society. Two major goals of the project were to ascertain if there were any elements in the theory with which the people already agreed and what revisions could be made to increase agreement while preserving the essential conservatism of the theory. Consequently, the project anticipated the need for testing revisions in both the theory and the language to communicate it.

The potential for a new governing majority exists because of the large and growing numbers of non-participating citizens in our political system. Turnout in presidential elections is down to 50 percent and turnout in off-year congressional elections has declined to 36 percent. Activating or "mobilizing" the country's non-voters partly involves locating or defining them demographically. In the past, non-participating citizens were mobilized in terms of property ownership (non-property owners by the Jacksonian Democrats), race (blacks first by the Radical Republicans and then by the New Deal Democrats), gender (women by the Republicans of the 1920's), and religion (Catholic immigrants by the New Deal Democrats).

In today's politics, age and education are the primary definers of who votes. Younger voters and less educated voters regardless of their other characteristics comprise most of the nation's non-voters. In the 1988 Presidential Election, 61 percent of the non-voters were under 40 years old. (Under 40 year olds comprised 48 percent of the voting age population in 1988.) Less than one-half of the under 40 years old reported voting in 1988 compared to two-thirds of the voters over 40. The regular decline in turnout in off-year congressional elections also happens more with the younger voters. Less than 25 percent of the under 30 year olds and only 35 percent of the 30 to 39 year olds vote in these elections.

Age clearly acts as a life cycle factor rather than a generational one. Voting increases almost a percentage point a year between the age of 20 and the peak voting years of the mid-sixties. (There is no clear demarcation point along the age continuum at which participation suddenly rises.) Therefore, the goal for a new majority strategy, in an important sense, is to hasten political maturation. As age increases, eligible voters learn more about the relevance of government and politics to their personal lives and to their concerns about the well-being of the nation as a whole. One consequence of this normal maturation is increased voting. Mobilizing younger voters into a new governing majority will entail the difficult task of "teaching" them about the importance of politics and government before they would normally acquire this belief.

Consequently, a major premise for the research project is that younger citizens are the

RESEARCH DESIGN

Exhibit 15 2

right target group for a new majority strategy and that a political theory and language needs to be effective with them if it is to be effective at all. Supporting this premise is an additional opportunity (to their not voting now) about younger voters – they are already predisposed to vote Republican. National surveys for the past several years have repeatedly measured Republican pluralities below the age of 30 and an even partisan balance between the ages of 30 and 40. At the current pace of becoming regular voters, the Republicans will not receive the full force of this advantage for another 10 to 15 years (assuming their partisan leanings do not switch). A successful theory and language would mobilize this support now.

Finally, the project was conceived as *basic research* of political attitudes. It focuses on the target voters' general theories of government and society. It does not test legislative proposals or campaign themes. Instead, this first project tests a theory and its premises, while allowing the target voters the opportunity to offer revisions and alternatives, upon which legislative proposals and campaign themes can be effectively built at a later stage.

Research Design In-brief

Eighteen focus groups were held in nine locations located in eight states between March 13 and April 11, 1990. The nine locations were: suburban Chicago, suburban Detroit, rural southeastern Ohio, suburban Atlanta, Little Rock, Arkansas, suburban Denver, Sioux Falls, South Dakota, and the Silicon Valley and the Los Angeles Basin, California. Two groups were held at each location. There were eight to fourteen people in each group. A total of 180 people participated in the project. Participants in the groups were between the ages of 21 and 39 and were not strong identifiers with either the Republican or Democratic parties. With their much lower than average probability of voting and their lack of a strong party identification, they represent the voter group that most likely can be mobilized into a new political coalition.

A structured discussion outline was used by the moderators which went through two substantial revisions. The three versions of the discussion outline are in the Appendix. During the discussions prepared messages were presented to the groups in two forms: video tapes and written excerpts from news stories. In total, five video spots and 34 news stories were used in the project. The news stories were divided evenly between personal examples of failures and successes in American society. The purpose of these news stories was to

RESEARCH DESIGN

Exhibit 15

MSI 0033

learn if the target voters perceived the same underlying themes in the stories as did the conservative theory of them tested in this project. The videos presented a conservative explanation of failure and success in America for the target voters to evaluate. The news stories and the videos were rated by the participants on paper and pencil rating scales and then discussed in open-ended conversations directed by the moderators. The scripts for the videos, the news story excerpts, and the rating scales are in the Appendix.

Recruitment and Final Group Compositions

U.S. citizens under 40 years old and without strong attachments to either the Republican or Democratic parties was the essential universe for the project. The standard University of Michigan National Election Study (NES) party identification measure was used to screen out strong partisans. Strong partisans have been shown to have defection rates usually no higher than 15 percent, indicating a politically insignificant potential for persuasion. Other partisans on the NES party scale have been shown to have defection rates from 30 percent to over 50 percent. Consequently, only "weak" and "independent" Republicans and Democrats were recruited as well as "pure" independents. Quotas were not set on these various types of partisans.

The goal was to have 10 to 12 people in two groups at each of the nine locations. This is the desired group size to hear a variety of opinions and have time for each person to adequately express their opinions on the subjects of most interest to them in the discussion outline. To allow for "no-shows", 30 people were recruited at each location. The sizes of the attending groups ranged from eight to fourteen people and averaged 10 people per group.

Recruitment to the groups was done by telephone by the local focus group services under subcontract to Market Strategies, Inc. (MSI). The local services used a formal recruitment questionnaire written by MSI. Participants were paid incentives ranging from \$30 to \$35 to attend the groups.

The two groups at each location were segregated by education: one group consisting of voters with 2 years or less of college training and a second group consisting of voters with more than 2 years of college training. This segregation was done simply to make the participants feel more at ease in the discussions by placing them with their educational peers. The discussion outlines and paper and pencil tests were exactly the same for both groups.

RESEARCH DESIGN

Exhibit 15

MSI 0034

Several types of people were excluded from the groups because of their sophisticated or special opinion formation experience, as noted below. In addition, 18 to 20 year olds were also excluded. While this age group is of enormous interest to both political parties (and to this project), past experience has shown that they tend to be very hesitant to volunteer political opinions in discussions with people not in their age group.

Recruitment Requirements

TARGET VOTER REQUIREMENTS

21 to 39 years old
No strong identification with either the Republican or Democratic parties

REPRESENTATIVENESS REQUIREMENTS

Balanced by men and women (no more than 55 percent of one gender in a group)
Balanced by education at each location (one-half of the participants with 2 years or less of college and one-half of the participants with more than 2 years of college), and no more than two high school dropouts in the less educated group
Even distribution within the 21 to 39 year old age range at each location

EXCLUSION OF VOTERS WITH SOPHISTICATED OR SPECIAL OPINIONS

No elected officials
No social studies or government teachers
No people with post graduate degrees e.g. MA, MBA, LL.D, PhD, MD
No people who have attended a focus group in the past 6 months
(exclusion of people on focus group panels)

In addition, minorities were purposively recruited for the groups in the Los Angeles Basin (one Hispanic and one black desired in each group), suburban Atlanta (one black desired in each group), and the Silicon Valley (one Oriental desired in each group).

The 180 people who did participate in the groups were evenly balanced by party: 51 Republicans, 52 Democrats, 26 independents who leaned Republican, 21 independents who leaned Democrat, and 30 "pure" independents. Their collapsed distribution of 43 percent Republican or lean Republican to 41 percent Democrat or lean Democrat is only a few percentage points different (in a Democratic direction) from national survey estimates for

RESEARCH DESIGN

Exhibit 15

MSI 0035

under 40 year old eligible voters. Ninety-four women, 83 men, 81 people with two years or less of college, and 98 people with more than two years of college (60 college graduates) participated in the 18 groups. (Contrary to the recruitment criteria, eight people were 40 years old and 5 people had M.A. degrees.) The complete political and demographic distributions of the participants, in total and by the nine locations, are in the Appendix.

While the recruitment for the focus groups followed specific quotas, this is not a probability sample of voters with a known sampling error. There is no scientific way to measure the probability of how representative these groups are of the target population of under 40 year olds. Consequently, the findings of this research need to be verified in studies using probability samples of the target population. (Two findings were tested in national RNC polls, and the polls confirmed the focus group results. One finding is in regard to a perceived weakening of basic values in American society as a cause of the U.S.'s economic competitiveness problem and the effectiveness of emphasizing the American work ethic, in particular, as a solution. The groups and the survey both indicate that the public considers these factors very important to the U.S.'s world trade problems. The second is in regard to using the statement "\$1.2 trillion is enough" as a tactical argument in the tax-budget debate. The groups and the survey are both negative on its utility as effective rhetoric.)

Locations of Focus Groups

The selection of locations for the groups was first guided by electoral relevance: selecting states important in presidential and congressional elections and places within states important to winning in the state, either in presidential elections or in statewide elections. National regional coverage and type of place were the second concerns. The Industrial Midwest, the Deep South, the Farm States, the Mountain States, and the Pacific Coast are all represented in these eighteen groups. (The Northeast is not covered mostly because satisfying other considerations used up the number of groups for the first phase of this research.) The project also wanted to represent rural and less affluent areas in addition to major population centers in case there was any variation of opinions by suburban-rural differences. The selections of southeastern Ohio, Little Rock, Arkansas, and Sioux Falls, South Dakota were made partly for this reason.

The groups were purposively held in eight of the states which are most critical for the

RESEARCH DESIGN

6

Exhibit 15

MSI 0036

Republican presidential coalition. In addition, these states vote Democratic in congressional elections while voting Republican in presidential elections. In 1988, they delivered a 53 percent majority for George Bush while electing 79 Democrats and 48 Republicans to the U.S. House of Representatives. The goal of driving the national Republican realignment down to the local level would involve voters in these states. Combined, they will represent an estimated 143 electoral votes and 127 U.S. House seats in 1992 (the same as in the 1980's). In addition to their size, they all are swing or "battleground" states and are needed in a minimum winning Republican presidential coalition. Colorado and South Dakota are sometimes considered core Republican states, but they and several other states in their region underperformed for George Bush in 1988. Their reduction to the status of national battleground states was an important consideration in their inclusion in the project.

Both the generic area of residence of the participants and the location of the focus group facility to which they traveled are listed below. The location of the focus group facility is not meant to describe a residency requirement for the participants. Participants came from surrounding communities, generally within a one-half hour drive of the facility. For example, participants in the Los Angeles Basin groups came from Irvine, Anaheim, Cypress, Diamond Bar, Huntington Beach, Newport Beach, Garden Grove, and Fountain Valley. The focus group facility was located in Irvine.

Locations of Focus Groups

MIDWEST

Suburban Chicago (northern Cook County): Chicago, Illinois
 Suburban Detroit (Macomb County): St. Clair Shores, Michigan
 Rural Southeastern Ohio: St. Clairsville, Ohio

SOUTH

Suburban Atlanta (Clayton County): Morrow, Georgia
 Little Rock: Little Rock, Arkansas

FARM/MOUNTAIN

Suburban Denver (Arapahoe and Jefferson counties): Denver, Colorado
 Sioux Falls: Sioux Falls, South Dakota

RESEARCH DESIGN

Exhibit 15

MSI 0037

PACIFIC COAST

Silicon Valley: Sunnyvale, California
 Los Angeles Basin: Irvine, California

Schedule and Moderators

Rather than conduct all the groups at once, they were divided into three waves with one week pauses between the first and second waves and between the second and third waves. The pauses allowed for major revisions to the discussion outline (which was done) and a general strengthening of the content of the discussion outline before most of the project's resources were spent. The pauses also served the exploratory and basic research objectives well. What wasn't working could be deleted; what was working could be probed further; and what had not been originally included could be added.

The project's two moderators and the project's principal investigator all moderated groups in the first wave. Using three moderators in the first wave helped strengthen both the content and execution of the discussion outline in the subsequent groups. Moreover, by using two moderators for the subsequent groups, the findings of the project are less subject to moderator bias compared to typical focus group investigations done with one moderator.

Schedule, Location, and Moderators

WEEK ONE	PROJECT DESIGN AND BRIEFING MEETING
	Washington, D.C. March 2, 1990
WEEK TWO	FOCUS GROUPS: THREE LOCATIONS, SIX GROUPS
	Suburban Detroit, Michigan March 13, 1990 Moderator: Fred Steeper
	Silicon Valley, California March 14, 1990 Moderator: Matt Greenwald

RESEARCH DESIGN

8

Exhibit 15

MSI 0038

	Suburban Chicago, Illinois March 15, 1990 Moderator: Wilma Goldstein
WEEK THREE	REVIEW AND REVISIONS MEETING Washington, D.C. March 19, 1990
WEEK FOUR	FOCUS GROUPS: THREE LOCATIONS, SIX GROUPS Suburban Atlanta, Georgia March 27, 1990 Moderator: Matt Greenwald Little Rock, Arkansas March 28, 1990 Moderator: Matt Greenwald Southeastern Ohio March 29, 1990 Moderator: Matt Greenwald
WEEK FIVE	REVIEW AND REVISIONS MEETING Washington, D.C. April 2, 1990
WEEK SIX	FOCUS GROUPS: THREE LOCATIONS, SIX GROUPS Sioux Falls, South Dakota April 7, 1990 Moderator: Wilma Goldstein Los Angeles Basin, California April 9, 1990 Moderator: Wilma Goldstein Denver, Colorado April 11, 1990 Moderator: Wilma Goldstein

RESEARCH DESIGN

Exhibit 15

MSI 0039

Discussion Contents

The discussions were guided by a structured outline of topics and suggested probes implemented by the moderator of each group. The discussion outlines used by the moderators are in the Appendix. The discussions followed the general sequence of introducing the conservative theory in stages. This allowed an assessment of the degree to which the participants agreed with the theory and its language before actually hearing it. The discussions first allowed the target voters to express what they thought is right and wrong about our country by asking them what the new governments in Eastern Europe should copy and what should they avoid about us. They next read news stories about American failings, discussed them individually, and discussed their possible underlying theme. The conservative theory of these stories was then presented for their reactions. The same sequence of news stories and the conservative theory of them was followed for what is right about our country.

There were three versions of the discussion outline corresponding to the "three waves" of groups: each version was used at three locations in a single week. Their content represents the changes made after the first and second waves. Each discussion outline contains the dates it was used and approximately how much time was allotted to each topic within it.

Two of the major additions to the content of the discussions involved the search for the proper language to use to communicate the conservative theory. In the second and third waves, lists of seven adjectives and seven nouns were given to the participants as possible descriptions for the general theme in the news stories about "American failings." In the third wave, a list of 24 nouns was given the participants as possible descriptions of what "best explains the accomplishments of America and its people." The third major addition was an open-ended discussion of the country's military defense requirements in view of the demise of the Warsaw Pact. This addition was made in the third wave of groups. To make room for these additions, three of the video presentations were dropped from the second and third waves, and the other two video presentations were dropped from the third wave.

While the moderators did cover all the major topics in the outlines, the content of the actual discussions can only be ascertained from the group transcripts, video tapes, or audio tapes. Subtopics in the outline sometimes were skipped when other topics generated more discussion than planned or unexpected subjects were raised. The discussions averaged one

RESEARCH DESIGN

10

Exhibit 15

MSI 0040

hour and 45 minutes.

Discussion Content

	Wave one	Wave two	Wave three
NATIONAL DEFENSE	no	no	yes
SUCCESS AND FAILURE IN THE U.S.	yes	yes	yes
NEWS STORIES - FAILINGS	yes	yes	yes
SELECTION OF NEGATIVE WORDS	no	yes	yes
VIDEO 1: FAILINGS	yes	yes	no
NEWS STORIES - SUCCESSES	yes	yes	yes
SELECTION OF POSITIVE WORDS	no	no	yes
VIDEO 2: SUCCESSES	yes	yes	no
VIDEO 3: FAILINGS/SUCCESSES	yes	no	no
VIDEO 4: NINE DOT EXERCISE	yes	no	no
VIDEO 5: \$1.2 TRILLION	yes	no	no

Messages and Measures

Prepared messages were presented to the groups in two forms: video tapes and written excerpts from newspaper and magazine news stories. The scripts for the videos and the news story excerpts are in the Appendix. The video tapes were produced by GOPAC, and the news story excerpts were prepared by Market Strategies, Inc. from material supplied by GOPAC.

Five different video spots were used in the project. Video 1 presented an explanation of various problems in the U.S., attributing them to "the bureaucratic welfare state" and "the values of the left". Video 2 presented an explanation of success in the U.S., attributing success to "technological progress," "entrepreneurial free enterprise," and "basic American

RESEARCH DESIGN

11

Exhibit 15

MSI 0041

values" which the video summarized as "the Triangle of American Success." Video 3 was a combination of the messages in the first two videos. Video 4 presented the "nine dot problem" as a heuristic device on how to develop solutions to persistent problems. Video 5 tested the credibility of President Bush's State of the Union assertion that "\$1.2 trillion is enough." The video spots ranged between one and four minutes each.

Video 1 and Video 2 were the most important to the overall research purposes of the project. They were presented in the first two waves of focus groups. They were dropped from the third wave because the reactions from the first 12 groups were consistent and further presentations were unnecessary. Video 3 was presented only in the first wave. It was dropped from the subsequent groups partly because it repeated a serious flaw in content from Video 2. Some participants' critical comments of Video 2 predisposed their groups against Video 3. (These participants took exception to Video 2's singling out the "values of the left" as a major source of the country's problems.) Video 4 and Video 5 also were presented only in the first wave of groups. Video 4, "the Nine Dot Problem," made a tangential point to the overall themes being tested, was positively received, generated interesting comments, but was dropped to make room for other topics and testing exercises in the second and third waves. Video 5, "\$1.2 Trillion Is Enough," was not considered part of the project's overall research purpose other than its representing a test of specific rhetoric which Republicans might use. The test was negative.

The news excerpts were of two types: examples of "failures" and examples of "successes" in America. The failure stories were meant to be examples of two subjects: (1) bureaucratic incompetence, waste, and corruption and (2) left wing or permissive values. In covering these subjects, they also dealt with the problems of crime, education, welfare, and other topics. The success stories were meant to be examples of three subjects: technological progress, entrepreneurial free enterprise, and basic American values. In covering these subjects, they also dealt with crime, education, welfare, and other topics.

Seventeen failure stories and seventeen success stories were used in the project. In the first and third waves of groups, each group read five of the failure stories and five of the success stories. In the second wave, a sixth failure story was added while the total of five success stories was kept the same. The second wave focused on developing alternative rhetoric to "values of left." A values story was added to help generate suggestions for an alternative language. Each of the stories took one to three minutes to read. The decision to

RESEARCH DESIGN

12

Exhibit 15

MSI 0042

test five of each type per group was based on the need for the participants to have an adequate number of examples to perceive a theme balanced against the potential for participant fatigue.

In the first wave, each location had a different set of 10 stories. This allowed using 30 stories in the first wave to determine how well this general technique would work aside from the particular selection of stories. (Both groups at one location read the same set of stories.) In the subsequent waves, some stories were used more often than others based on the quality of the discussions they were generating and the generic point they made. Consequently, by the end of the project some stories had been read by as many as 143 people and others by as few as 18 people. How often and where each story was used is summarized in the Appendix.

The participants completed rating scales on the news stories and the videos. The rating scales are in the Appendix. They rated the stories on the degree to which they approved or disapproved of their general content (on a four point scale) and how typical they thought each one was (on a three point scale). They rated the videos on six, 10 point scales on how much they believed it, found its content important, thought it was influential, understood its content, liked it, and agreed with it. The results are discussed in the Analysis.

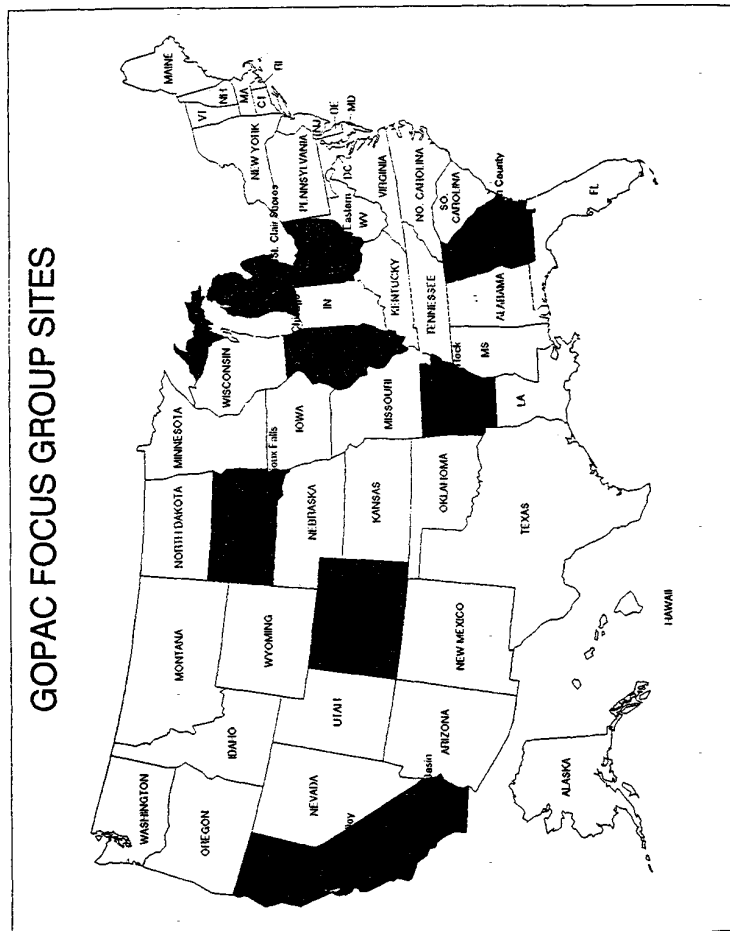


Exhibit 15

MSI 0044

FINDINGS

EXECUTIVE SUMMARY

The target voters agree with parts of the conservative theory's explanation of what is wrong in the country and generally agree with all of the theory's elements of what is right about the country. Most of the main terms in the language used to communicate the theory is satisfactory or better. However, the theory and its language, at its present stage, falls short of being ready to motivate the target voters to support a new governing majority.

The conservative theory is closest to being a motivating force for a new majority when it discusses values. The target voters already draw a connection between personal values and two national problems at the top of their issue agenda, i.e., crime (including drugs) and public education. They enthusiastically endorse the importance of the basic values of the American people as responsible for the country's success. Significantly, they believe that our values are the ingredient to our success that we are most in danger of losing.

The government bureaucracy part of the conservative critique of society needs to draw a stronger connection between bureaucracy and important national problems. The government's slowness and complexity are an existing aggravation with the target voters, but they see bureaucracy more as a source of personal inconvenience than as a cause of national problems or as a major obstacle to their solutions. Shorter lines and less paperwork would be welcomed changes, but those prospects are not what would drive these voters to the polls. What would act as a motivator is if the target voters thought that bureaucracy was preventing the execution of greater goals such as controlling drugs, improving the quality of public education, and cleaning up the environment. The target voters know that bureaucracy slows them down individually, but they do not know that bureaucracy slows them down collectively.

The welfare part of the conservative critique does add an important element to the theory. There is substantial agreement that the welfare system causes a great deal of social harm by perpetuating dependence on public assistance across generations. There are actually three lines of thought in regard to welfare which a conservative theory must take care to recognize equally. First, there is substantial anger directed at "welfare cheaters." Second, there is recognition that it is rational to stay on welfare. Third, there is support for the social

EXECUTIVE SUMMARY

Exhibit 15

15

MSI 0045

obligation to provide for the truly needy.

They see a system that allows the "able-bodied" to exist on the efforts of others as clearly wrong. A theory which attacks this situation is definitely pushing a so-called "hot button." In this attack, however, the theory must contend with the health care exception. The target voters believe it is rational to stay on welfare to remain qualified for Medicaid. This is a different consideration than a minimum wage job paying less than welfare which often leads to the conclusion that welfare benefits are too generous. In this case, the voters are totally sympathetic with the welfare recipient. A family must have health insurance. (A strong challenge to a conservative theory is the fairly broad agreement among these voters that our country needs guaranteed health care for everyone. Their allowance for welfare recipients to remain on welfare to receive Medicaid is just a logical extension of their overall position on health insurance.)

The discussions underscored the political importance of supporting the "social safety net." The groups almost always qualified their criticism of welfare by stating their general support for helping those truly in need. Some felt uncomfortable in the discussion until this confirmation had been made. A conservative attack on welfare needs to allay any fears that it is advocating a Darwinian replacement. (Reagan's "safety net" rhetoric was very important.)

"Values of the left" is poor language to use to communicate that part of the conservative critique dealing with the problem of values in society. The expression does not correctly tap into the voters existing concern about values. Many target voters either do not understand the phrase or object to it. Indeed, it would have been a major error to have used this particular rhetoric. For those who do understand it, many of them think the language is divisive because it implies a group of people as well as a set of ideas. For them, it is unfair to blame the country's major problems on a particular group. In the language's group meaning, it implies a second group, "the right." The objection then raised is that no group is entirely right or wrong and that "the right" as well as "the left" can share the blame for what is wrong in our country. The stronger objection is that the language rings of scapegoating and "McCarthyism."

Part of the psychology at work, for both the mild and strong objectors, is the disapproval of any theory that poses conflict. There is a strong strain of thinking among Americans, likely stronger among those who do not participate in (partisan) elections, that problems can be solved by reaching a consensus or "working together" as the target voters

EXECUTIVE SUMMARY

16

Exhibit 15

sometimes phrase it. Rhetoric using the notions of "left" and "right" denotes conflict, not consensus. Significantly, the other parts of the conservative theory do not ask people to choose sides, and they all are moderately to strongly accepted by the target voters.

"Permissive values" is the target group's choice for alternative language to "values of the left." Having read and discussed five to six examples of stories dealing either with bureaucratic performance or liberal policies, "permissive" was the most common word volunteered to describe the common theme in the stories. It was also more frequently chosen over "liberal" and "left-wing" from a list of adjectives to describe the common pattern behind the examples. ("Conservative" and "traditional" were also on the list and they did receive a few votes.) "Destructive" (which was on the list because of its volunteered mention in the first wave of groups, along with "permissive") was the second most frequently chosen. Noticeably, then, the target voters tend to avoid standard ideological terms - liberal, conservative, and left-wing - to explain the nation's ills.

The voters are using the term permissive in the sense that government is too permissive with criminals, many welfare recipients, and the rich. They also use it in the sense that the interests of the few are overly protected at the expense of the majority. In both cases, there primary grievance are actions in favor of the interests of convicted criminals.

The demise of the traditional family is a recurring theme in the groups. This theme comes the closest to an alternative theory on what is wrong in society. In particular, they use the demise of the traditional family to explain the increase in crime in our society and the decline in the educational achievements of American students. Their explanation has its positive side: "parental involvement" is the key to assuring a quality education and raising good citizens. Single parent families are seen as just one-half of the problem. Families with two working parents are viewed as equally important. The groups do not have a solution and do not suggest that women should return to the home. For both spouses to work is an economic necessity in today's economy, they say (which is an important finding about the target voters on its own). The groups, in effect, describe a dilemma: one, if not both, of the parents should be devoting a major share of their time to the job of child rearing, but both parents must be employed to have an adequate standard of living. This situation, they believe, is an important cause of the crime and inferior learning by today's youth.

Another related theme expressed in the groups, although not quite as frequently as the demise of the traditional family, is the loss of community. They see less willingness for people

MSI 0047

to help people. They believe many of the discussed problems could be more effectively handled by community based actions. Both with parental involvement and community involvement, the target voters are focusing on personal level solutions rather than government solutions. (The "thousand points of light" is not empty rhetoric.)

The discussions of the crime issue uncovered a profound disagreement between official penal policy and the public's sense of justice; many people do not believe in parole. The issue of parole generated the most impassioned expressions of opinions on any topic in the project. Many believe parole turns justice upside down. Instead of giving prisoners time off for good behavior, they would add time for bad behavior. They interpret good behavior as merely the absence of bad behavior for which no one, inside or outside of prison, should receive an award. Consequently, there is the widest possible difference between the official philosophy of sentencing and what the general public believes it should be. (The policy that 'inmates earn a day off their sentence for every day served without trouble' is totally bizarre to these voters.) One significant consequence of parole policy is that it has created a deep public cynicism about the U.S. criminal justice system.

Most of the criticism levied against the criminal justice system is about sentencing and the treatment of prisoners. What is conspicuously absent are complaints about the rights of those accused of a crime. A few times, participants explicitly qualified their harsh views about sentencing by voicing their support of due process. This clearly suggests that the conservative critique should focus on sentencing and the serving of sentences and not on lessening the procedural rights of the accused as has been the tendency of some conservative critiques. In short, once a person is found guilty the target voters support the toughest possible actions, but they do not necessarily wish to deny any current rights in order to hasten a guilty verdict.

Bureaucracy is the one subject on which the groups' unprompted mentions, even if scattered, directly match one of the themes of the conservative theory *before* they are presented the conservative theory's focus on it. As mentioned, the criticism is more on the plane of individual aggravations than seeing bureaucracy as a barrier to solving national problems. Even so, the conservative critique of bureaucracy helps gain a receptivity to the whole theory. A suggestion on language also accompanies these mentions. "Red tape" is frequently used as their synonym for bureaucracy. The "red tape" language communicates their chief complaint about bureaucracy - it slows them up. One can speculate here about

EXECUTIVE SUMMARY

18

Exhibit 15

MSI 0048

the American character and the importance to Americans of action, speed, and getting results. The "red tape" language would help tap into that national character trait.

All of the examples of bureaucratic ineptitude, absurdities, and corruption presented in the groups elicit high rates of intense disapproval. It was the nature of these "bureaucratic horror stories" that no one could be expected to approve of them. What is significant is that the target voters do not view them with indifference. Moreover, they do not believe such examples are just isolated cases. Examples of bureaucratic failures do anger target voters and are weapons to use against the "bureaucratic welfare state."

The bureaucratic example that generates the most comment across the 18 groups concerns the story of Grace Capetillo, a woman in Wisconsin who lost her welfare benefits because she built a savings account of \$3,000. Of the 113 participants who read this story (see "Scripping Is Legal, But Savings Is Out" in the Appendix and the Condensed Transcript), most, 79 percent, are critical of the government policy that places a limit on the savings accounts of welfare recipients. This example is not noteworthy by its quantitative rating as the other bureaucratic stories receive even higher rates of disapproval. (The other bureaucratic stories are devoid of a defensible policy.) The Grace Capetillo story captures a special interest of the participants even though some of the other stories relate greater personal tragedies as the result of bureaucratic actions or inactions. They see the Capetillo story as an example of individual initiative and intelligence that is punished by the government. Some speculate that the government wants welfare recipients to remain poor. For many, Grace Capetillo embodies basic American values. The long discussions of this story indicate the target voters are significantly protective of those values. ✓

The stories representing liberal values on crime receive high rates of disapproval and generate the specific opposition to early release programs discussed above. (See, in particular, "Despite Threats to Actress, Prison to Release Attacker" in the Appendix and in the Condensed Transcripts.)

The set of stories generating the most mixed reaction are those dealing with liberal values on sexual relations. Majorities do agree with the conservative critique of these examples, but this area is not as firm as the others. One third of the participants reading the stories on one state's use of humor to promote the use of condoms (see "National Condom Week") and a court's extension of rent control rights to gay couples (see "Court Widens Family Definition to Homosexual Couples") approve of the actions taken in them. This rate of

EXECUTIVE SUMMARY

19

Exhibit 15

MSI 0049

approval is twice as high as for any of the other 'negative' examples. Moreover, the majorities who disapprove of these two examples do so with less intensity than for the examples on crime and bureaucratic failures. Almost all the target voters disapprove of a third example concerning the teaching of lesbian values through a school sponsored program (see "What Schools Teach Children About Homosexual Sex). Importantly, the more educated groups are not more "liberal" in regard to these stories than the less educated groups; there are no significant differences by education.

The target voters give the video presentation of the conservative theory's critique of the nation's problems very high quantitative ratings despite its flawed language when it refers to "the values of the left." They especially think the subject matter is important and rate their degree of agreement with its content very high. They also give the video very good marks on its clarity and believability. They are more qualified in their ratings of how influential the message would be with others, and, consistent with public ratings of most critical or 'negative' messages, they only mildly "like" the video presentation. All of these ratings are more positive than the best ratings given campaign advertisements. The video presentation probably scores so well relative to campaign advertisements because it is less partisan. Attacking the "values of the left" in the video, then, does not cause the same strong negative reaction as an attack on Republicans or Democrats would. It does introduce language that the subsequent discussions reveal is not well understood by many and annoying to some. Those who object to the language are later able to turn the balance of the groups against this language.

The groups give the video presentation of the conservative theory's explanation of success in the country extremely high quantitative ratings, better than the ones they give to the theory's explanation of failure which are very positive in their own right. In the ensuing discussions of the video's "Triangle of American Success," the groups not only agree with all three parts of the theory's explanation of what is good about our country, they make no serious substitutions of factors which they think are more important, nor do they have any serious problems with the language communicating this part of the theory.

Of the three sides to "the Triangle", the importance of the values of the American people receives the widest and most enthusiastic endorsement. This is also the second area, in addition to complaints about bureaucracy, on which the voters see the same systemic factor as identified in the conservative theory before they are presented the conservative theory's focus on it. While they agree with the other two factors in the conservative explanation of

EXECUTIVE SUMMARY

Exhibit 15²⁰

MSI 0050

(cf. & "progress")

success, those factors are not prominently mentioned (before) the presentation of the full theory. "Free enterprise" receives some prior mentions, and it ranks well when the target voters select words from a prepared list toward the end of the discussions. "Technology" or "technological progress" or their equivalents receive no mentions in the first stages of the discussions, and do not fair well in the later selection of words to account for the success of the country. However, no one objected to the use of "technological progress". Because the general reaction to the complete triangle is very positive, "technological progress" may be playing a complimentary role that goes unexplained by the participants.

The subject of values is raised in different forms and in both the context of what is wrong and right in the country. In the context of what is wrong, the target voters do not identify the problem in terms of liberal or "left-wing" problems but more in terms of a lack of values or "permissive values." On the positive side, the groups mention specific values that are important, but they are quite satisfied with the theory's generic label of "basic American values."

"Hard work" is a special value of Americans. In the discussions of what leads to success in our country and what are some of the most important examples of Basic American Values, hard work is the most common answer. Later, when given a list of 24 qualities from which to choose the ones that best explain the accomplishments of Americans, "hard work" ranked fourth in the selections behind only "initiative," "freedom," and "free enterprise." It was placed ahead of such qualities as "individualism," "innovation," "self-reliance," "equality," and "cooperation." The high value placed on hard work has important political implications. These mostly middle class citizens see many of the rich and many of those on welfare as benefiting from other than hard work. An essential part of their just society is a process that rewards hard work and withdraws rewards from those who seek rewards through other means. In this context, it is easy to understand why "workfare" programs are so popular with the general public and why financial gains from federal tax laws and fraud in the S&L industry are so annoying to them.

With one minor exception, the target voters react favorably to all of the conservative theory's examples of technological progress, entrepreneurial free enterprise, and basic American values. In contrast to the failure examples and contrary to fact, they think many of the success stories are isolated cases. They do not see any of them as "very typical." Consequently, in their ratings of the occurrence of the positive and negative examples, they

EXECUTIVE SUMMARY

Exhibit 15

21

MSI 0051

draw a very pessimistic picture and make a strong case for change.

Particularly disappointing are their perceptions of the two pure examples of entrepreneurial free enterprise among the examples presented to them. Very few participants think that Texas Instruments' success pioneering the silicon transistor (15 percent) and the transistor radio (14 percent) are "very typical" in the U.S. The participants do acknowledge that these free enterprise examples are more frequent than the other types of examples they read, many of which deal with individuals successfully circumventing the government bureaucracy. The free enterprise stories run into skepticism about an individual's ability, today, to raise the necessary capital to begin a business venture. This skepticism about entrepreneurial free enterprise as a solution represents both a basis to advocate reform and a possible problem on the perceived realism of the theory.

A story about the use of a public school as a day care center by extending its hours from 7 a.m. to 6 p.m. (see "Use of Schools As Day Care Centers") is the basis of many of the comments on the importance of parental involvement and the loss of the traditional family. Instead of focusing on the entrepreneurial efforts to finance the program and the basic common sense of using existing facilities, this story triggered strong philosophical opposition to day care, in general. For those opposed, day care symbolizes a profound problem - parents abdicating an important part of their responsibility to others. While a majority do approve of this example, the intensity of the approval is noticeably weak relative to the other examples. The women (38 percent) are twice as likely as the men (17 percent) to disapprove of this example. Surprisingly, the better educated groups (33 percent) are more likely than the less educated groups (20 percent) to disapprove. This may reflect an important difference by education in the financial necessity for both parents to maintain employment.

During the discussions, several of the same subjects that are now commonly mentioned in political focus groups, were extemporaneously raised in these groups. These subjects represent continuing concerns of the American voters. They include our position in the world economy particularly in relation to the Japanese, our criminal justice system, the quality of public education, the high cost of health care, and abuse of our welfare system. Regardless of the specific topics a discussion guide contains, so long as the overall subject is related to national problems, several, if not most, of these subjects will be raised by U.S. voters.

EXECUTIVE SUMMARY

Exhibit 15

22

QUANTITATIVE ANALYSIS

Examples of American Failings*Individual examples – overall results*

A total of 17 stories representing what the conservative theory puts forth as American Failings were presented to the target voters. Ten stories deal with the bureaucratic welfare state and seven stories deal with liberal values. The 10 stories dealing with the bureaucratic welfare state cover bureaucratic ineptitude, corruption, and absurdities. The seven stories dealing with liberal values cover sexual relations, crime, early release, and individual rights. Overall, the target voters agree with the conservative theory that these stories are American failings. Majorities ranging from 63% to 96% disapprove of all of the 17 stories. Eighty percent or more of the target voters disapprove, and 50% or more strongly disapprove of 14 of the 17 stories. The three exceptions, ranging from 27% to 44% strong disapproval, concern liberal values. With the exception of two stories ("What Schools Teach Children About Gay Sex" and "National Condom Week") majorities, ranging from 61% to 91%, of the target voters feel that these stories are not isolated cases.

Bureaucratic ineptitude is characterized by the following five stories: "Public Swimming Pools: Painters Take A Short Cut", "Family Of Six Dies In Fire", "Too Many Employees: Not Enough Work", "Breakfast In Bed", and "Maintenance Shortage". The target voters were most disapproving of "Public Swimming Pools: Painters Take A Shortcut". This story shows the incompetence of public workers and their supervisors. Instead of cleaning the swimming pools before painting them, the painters painted over 9 months of glass and cigarette butts. Fourteen pools had to be drained, stripped and repainted. A 94% majority (one of the two highest levels of strong disapproval) of the target voters strongly disapprove of this story. Sixty-one percent or more of the target voters strongly disapprove and 85% or more disapprove of the four remaining stories characterizing bureaucratic ineptitudes.

Corruption is illustrated by the following two stories: "D.C. Department Of Human Services Under Investigation" and "One Man's Abuse Of Power". These two stories portray people who have used a bureaucracy for their personal gain. In alignment with the conservative theory, a very large majority of target voters strongly disapprove of these stories. Ninety-four percent (one of the two highest levels of strong disapproval) of the target voters strongly disapprove of "D.C. Department Of Human Services Under Investigation". A 74%

QUANTITATIVE ANALYSIS

Exhibit 15

MSI 0053

majority of the target voters strongly disapprove of "One Man's Abuse Of Power". Ninety-six percent disapprove.

Absurdities are characterized by the following three stories: "Whose Graffiti Is Illegal?", "Nursing Home Tragedies", and "Scrimping Is Legal, But Saving Is Out". "Whose Graffiti Is Illegal?" has the highest (78%) strong disapproval rating of these three stories portraying bureaucratic absurdities. A resident in a housing project thought he was doing the project a favor by painting over an anti-Semitic slur in an elevator. Residents had complained about the graffiti to no avail. The resident who took it upon himself to cover up the graffiti was fined \$250.00 for "purposely and knowingly damaging property."

Target voters also disapprove (79%) with 50% strongly disapproving of "Scrimping Is Legal, But Saving Is Out" which describes a woman on welfare who scrimped and saved \$3000.00 in four years. The woman was charged with fraud by the Department of Social services, taken to court and fined \$15,545.00. Target voters who disapprove feel that the woman should be entitled to save any money she can, even if it is welfare money. This story generated a lot of interest among the target voters. A target voter in Los Angeles, California states "I felt sorry for this lady. I mean she was doing everything she could and I think our welfare system is screwed up." Another target voter from Los Angeles, California states "It's like the government wants you to stay poor. They don't want you to better yourself. If they're going to support you, they want you to stay on the same level forever." A target voter from Illinois states "It's not like she's going on a cruise...she's just trying to better herself. She's actually saving the money instead of putting something on a charge card to pay interest. It's earning the interest to do something positive. Another target voter from Illinois states "To get herself out of the situation. And the system took her down." Another target voter from Illinois states "Yeah, right, so I strongly disapprove. She was doing this on her own and it was her choice, you know. She's living on saltines and soup you know. She's clothing her kids on goodwill. According to this one, it's like they're telling her...they want her to stay right where she's at instead of trying to help you get out they actually want you to stay right there."

Other target voters feel that if this woman could save money she could probably get a job and get off welfare. A target voter from Denver, Colorado states "I just feel that if she's that clever that she's able to put away that amount of money off her welfare, then she could find a job and put away the same amount off welfare.....get off welfare and get a job." Another target voter from Denver, Colorado states "I would prefer that we teach this woman to

QUANTITATIVE ANALYSIS

Exhibit 15

MSI 0054

fish than giving her the fish so she can put them in her freezer and saving them up. I want to give her the skills so she can go out and support herself. Like he was saying earlier he's got friends that were on welfare and then once they started working found out that they were actually making more on welfare. I think the whole system needs to be changed, but I don't think that it gives anybody on welfare the right to start saving money now."

Sexual relations are characterized by the following three stories: "What Schools Teach Children About Gay Sex", "Court Widens Family Definition To Gay Couples Living Together", and "National Condom Week". Some target voters move away from the conservative theory when presented with situations of sexual relations. One-third of the target voters approve of two stories: "National Condom Week" and "Court Widens Definition Of Gay Couples Living Together". Target voters feel that the "Schools Teach Gay Sex" story and the "National Condom Week" story are isolated cases, while a majority (75%) find "Court Widens Definition" to be at least somewhat typical.

Eighty-nine percent of the target voters disapprove, with 65% of the voters strongly disapproving, of schools teaching gay sex to students. Project 10 (the name of the program in the example) is a school-sponsored program which invites a lesbian teacher to counsel students on safe sex and impart the message that it is alright for them to have sexual feelings for other people of the same sex. Parents were not informed of this lecture and students were not given the choice of not attending. Most of the target voter disapproval is based on parenting. The target voters feel that the parents should have the sole right to inform their children about homosexuality. It angered many people that the parents were not asked if their children could attend the lecture on Project 10. A target voter from Little Rock, Arkansas states "Well I figured, I have the right to educate my kids when I'm ready. I'm not even real big on sexual education in schools because I've already decided that it's my responsibility to teach my kids. I buy them books, my son is eleven years old, he knows all about it already. I want to talk with him over it because I don't want him to get some girl pregnant at sixteen and not be able to talk with me about it."

Most of the approval is also based on parenting. Many target voters feel that any kind of education is good education especially if the child is not getting any direction from their parents. A target voter in Los Angeles, California states "I think any kind of education is good, whether it's something you agree with or not. And I don't know how you can say it about condoms and not homosexuality". Another voter from Little Rock, Arkansas states "I think

QUANTITATIVE ANALYSIS

Exhibit 15

25

MSI 0055

okay, what schools teach children about homosexual sex. There again I feel like she was just trying to educate people into the subject that may not be talked about at home or that they may not be experienced with otherwise."

"National Condom Week" is one of the two sexual relations stories which one-third of the target voters approve. A total of 63% of the target voters disapprove of this example, while 34% approve. Thirty-eight percent strongly disapprove of this story. "National Condom Week" is an account of the Ohio state government's efforts to use humor through events and activities to inform people about condoms and safe sex. Those target voters who disapprove of this story do so because they feel that sexually transmitted diseases, teenage pregnancy, and AIDS is too serious a subject to make light of. One target voter from Georgia states "It's a real serious subject. It's something that needs to be dealt with and we need to educate people on it, but it [National Condom Week] seemed like more of a carnival type atmosphere. But, these things aren't going to make people more, really, educated and more likely to practice safe sex. They're going to remember the funny things. But they'll remember them as a joke, they won't remember them as wisdom or knowledge that was passed on."

The target voters who approve of "National Condom Week" do so because they feel the humor makes it possible to discuss a serious subject. A voter in Michigan states "I think that this is an issue that needs to be heard, and if it can't be taken seriously by most people, then humor is a good way to do it. Some of these things I find very innovative." Another voter in Michigan states "I agree. I think the humor would be helpful. There are some folks who if you treated it in a fairly serious way just get turned off. And if you look at the target audience they're not going to look at something in fine print on the side of a package or something like that or in an article in the newspaper. But, if you inject humor into it, you pick up on some of the subtle things. It just opens up your mind, I think." Another Michigan voter states "...it might spark discussions in the home and among people. Sometimes, if you break down those barriers, maybe you'll get a really serious discussion going."

Crime is characterized by "People are killing for cool clothes" which describes people killing others for their clothes. Ninety percent of the target voters disapprove of this story. Seventy-four percent of the target voters strongly disapprove of this situation. Twenty-six percent of the target voters feel that this is very typical, 58% somewhat typical, and 5% find it to be an isolated case.

Two early release stories, "Despite Threats To Actress, Prison To Release Attacker"

QUANTITATIVE ANALYSIS

Exhibit 15 26

MSI 0056

and "Getting Away With Murder" were presented to the target voters. All target voters overwhelmingly disapprove, ranging from 88% to 95%, of the early release stories. A 69% majority strongly disapprove of the attacker being released even though he was still threatening the actress. Forty-nine percent find this to be very typical. An 83% majority strongly disapprove of juveniles being released without counseling, and then committing more violent crimes. Forty-three percent find this story to be very typical.

The "Actress/attacker" story ranks number 10 overall on the scale of intense disapproval towards the stories out of 17 tested stories. The "Getting away with murder" story ranks number 3 on the same scale. Even though the "Actress/attacker" story ranks number 10, it generates the most discussion among the examples of American failures. The target voters are mostly outraged by the attacker being released before his full sentence is served. A target voter from Georgia states "I believe once the sentence is passed out, he ought to be able to serve that sentence. What has been given to him, he should have to serve." A target voter from Denver, Colorado states "I strongly disapprove. If he's a nut, he's convicted, he's crazy and living over here and enjoying all our benefits, he needs to stay in prison and just do all of his time." A voter from Little Rock, Arkansas states "The actress, that's typical. Threats are not considered grounds to keep a person in prison. They're contradicting themselves. Threats are no good behavior by me. And so he's getting out on good behavior, yet it's a known fact that he's been sending her threats through the mail all this time, I'd say that's known misbehavior. I don't agree with that at all."

QUANTITATIVE ANALYSIS

Exhibit 15 ²⁷

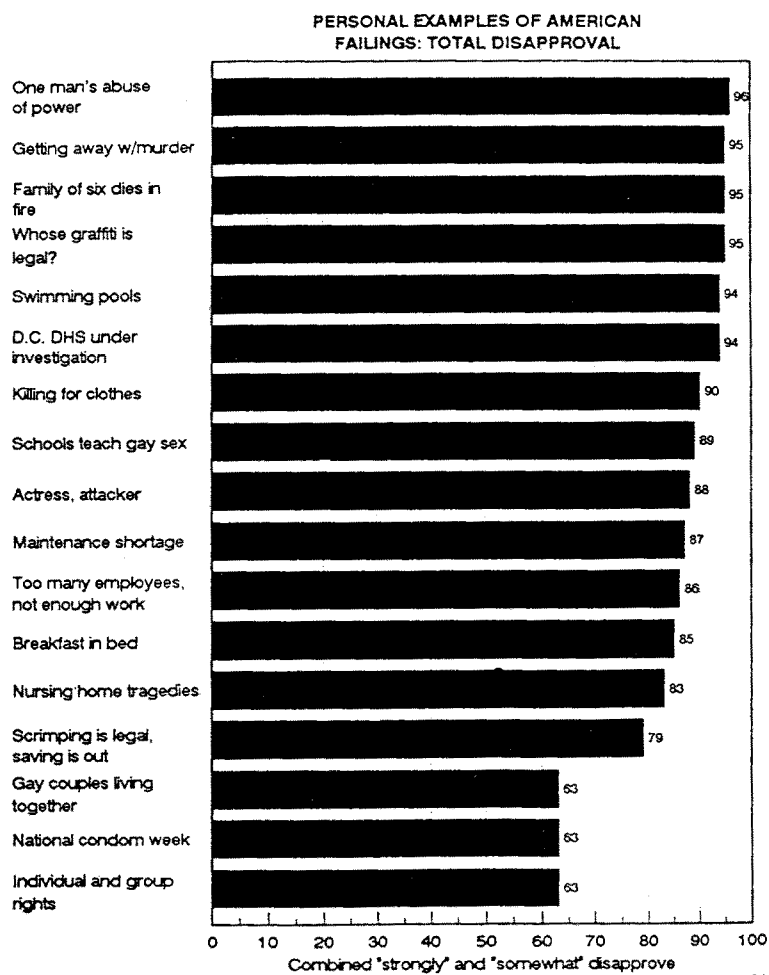


Exhibit 15

EXHIBIT 16

GOPAC

THE NATIONAL
GRASS-ROOTS
ORGANIZATION
BUILDING
REPUBLICAN
LEADERS FOR
AMERICA'S
FUTURE

440 FIRST STREET
NORTHWEST
SUITE 400
WASHINGTON, D.C.
20001
PHONE (202) 484-2282
FAX (202) 783-3306

GOPAC3 484

RONALD K. FORD
HONORARY CHAIRMAN
NEWT GINGRICH
GENERAL CHAIRMAN
HOWARD H. CALLAWAY
CHAIRMAN

February 21, 1990

Mr. and Mrs. David G. Crouse
1167 North Sheridan Road
Lake Forest, Illinois 60045

Dear Teresa and Dave:

I, along with my fellow GOPAC team members, want to thank you again for your service on the Executive Finance Committee. 1989 was a very successful year because of your efforts on GOPAC's behalf. Please know how very grateful Newt and I are for all that you are doing for our mission.

Our next Charter Meeting will be held on May 6 and 7 in Washington at the Willard Hotel. The theme for this meeting will be "The Winds of Freedom: Strides toward Democracy in Eastern Europe and the Soviet Union." I know that you share our interest in all that has transpired over the past months. We are inviting foreign policy experts in a number of fields to address our Charter Members.

In addition, we are hoping to have a reception at the Vice President's residence. The request is in and we are optimistic. (As always!)

We are making great strides in preparation for the American Opportunities Workshop. May 19 is not very far away and we will most certainly brief everyone on our progress as we go and at our May meeting. Please be sure these dates are on your calendar.

We very much need our committee to focus on new members for this year. We would like each member of the committee to bring in five new members this year. A number of our members contribute more than \$10,000 per year and so we do not need to limit our efforts. Because we are not a federal committee, there is no limit to the amount that people may give.

The next two years are absolutely critical to all that we hope to accomplish. Our May 19 project will go a long way toward helping Republicans set an agenda and persuading Americans to realign with us.

Exhibit 16

GOPAC3 485

The May Charter Meeting is terribly important to us. It is my great hope that you will invite your friends who might be Charter Members and bring them to Washington with you. Ideally, we'd like them to come as new members, but most importantly we need to focus on 30 new members from this meeting.

I honestly believe that we can do it. I will be working hard to increase our membership with my friends. Please help me. I know that we can have a banner year.

As always, June Weiss will be here for you for any and everything that you might need. One very close friend says that she keeps the "headlights bright and the horns blowing" for GOPAC. Please know that she will be working for you in every way possible.

We probably need a conference call in the next couple of weeks. I will ask June to make the arrangements so that we can all talk about May 19 and the Charter Meeting.

Thank you. What a great year this is going to be!

Warmest regards,

HHC



Don't be clever! E

GOPAC

THE NATIONAL
GRASS-ROOTS
ORGANIZATION
BUILDING
REPUBLICAN
LEADERS FOR
AMERICA'S
FUTURE

440 FIRST STREET
NORTHWEST
SUITE 400
WASHINGTON, D.C.
20001
PHONE (202) 484-2282
FAX (202) 783-3306

GERALD R. FORD
HONORARY CHAIRMAN
NEWT GINGRICH
GENERAL CHAIRMAN
HOWARD H. CALLAWAY
CHAIRMAN

February 21, 1990

The Hon. Newt Gingrich
2438 Rayburn HOB
Washington, D.C. 20515

Dear Newt:

I, along with my fellow GOPAC team members, want to thank you again for your service on the Executive Finance Committee. 1989 was a very successful year because of your efforts on GOPAC's behalf. Please know how very grateful Newt and I are for all that you are doing for our mission.

Our next Charter Meeting will be held on May 6 and 7 in Washington at the Willard Hotel. The theme for this meeting will be "The Winds of Freedom: Strides toward Democracy in Eastern Europe and the Soviet Union." I know that you share our interest in all that has transpired over the past months. We are inviting foreign policy experts in a number of fields to address our Charter Members.

In addition, we are hoping to have a reception at the Vice President's residence. The request is in and we are optimistic. (As always!)

We are making great strides in preparation for the American Opportunities Workshop. May 19 is not very far away and we will most certainly brief everyone on our progress as we go and at our May meeting. Please be sure these dates are on your calendar.

We very much need our committee to focus on new members for this year. We would like each member of the committee to bring in five new members this year. A number of our members contribute more than \$10,000 per year and so we do not need to limit our efforts. Because we are not a federal committee, there is no limit to the amount that people may give.

The next two years are absolutely critical to all that we hope to accomplish. Our May 19 project will go a long way toward helping Republicans set an agenda and persuading Americans to realign with us.

Exhibit 16

WGC2-03992

The May Charter Meeting is terribly important to us. It is my great hope that you will invite your friends who might be Charter Members and bring them to Washington with you. Ideally, we'd like them to come as new members, but most importantly we need to focus on 30 new members from this meeting.

I honestly believe that we can do it. I will be working hard to increase our membership with my friends. Please help me. I know that we can have a banner year.

As always, June Weiss will be here for you for any and everything that you might need. One very close friend says that she keeps the "headlights bright and the horns blowing" for GOPAC. Please know that she will be working for you in every way possible.

We probably need a conference call in the next couple of weeks. I will ask June to make the arrangements so that we can all talk about May 19 and the Charter Meeting.

Thank you. What a great year this is going to be!

Warmest regards,

Bo

HHC

June - A/I
JW

WGC2-0398

Exhibit 16

EXHIBIT 17

March 7, 1990

Dear :

Our May 19th American Opportunities Workshop is the single most exciting project I've ever undertaken. I consider this program critical to our efforts to become a Republican majority.

I think you and I agree that the majority of people in America share our values. And we also believe that many Americans recognize the need for a fundamental rethinking of our approach to the nation's problems.

The problem is reaching these people with our message of hope and opportunity.

GOPAC's assistance and training is established with the audience we have targeted. Grassroots activists, incumbent legislators, and challengers know and use our language and philosophy. Republican Members of the House of representatives have been very supportive of our program.

However, the backing of these groups alone will not produce a realignment. In order to encourage Americans to vote -- and vote Republican -- so that we may enact our policies of opportunity, we must reach them with our vision of hope.

It is time for our message and program, now proven among those in the trenches, to be shared with the Americans who are not motivated by our current government to go to the polls or get involved.

Our Imperial Congress has taken our country away from us. We have been buffeted repeatedly by such scourges as daily crime and violence that they have become a routine part of our lives.

Exhibit 17

You and I are fortunate in that we recognize our potential to bring about change. It is my hope that we can show Americans how their lives can be vastly different.

The American Opportunities Workshop is GOPAC's answer to teaching and empowering the American people. We hope that the citizen movement launched by this project will be the key to a future of Republican governance.

But we fully recognize the enormity of this task and we need your involvement.

While we have always viewed our mission with great urgency, we have reached a most critical juncture in our work.

I hope you view this project with as much promise as I do. I would appreciate the opportunity to discuss with you your thoughts, questions, or concerns.

We need your excitement and participation now more than ever.

Best wishes,

HHC

Exhibit 17

EXHIBIT 18

GOPAC

Congressman Newt Gingrich
Chairman

March 16, 1990

Mr. Barry D. Kahn
1625 Valarian St.
Anchorage, Alaska 99508

Dear Mr. Kahn:

With your help, we're launching a movement to make the '90's a decade of opportunity for all Americans.

We're doing so in a way unique in American political history.

And Mr. Kahn, I want you to be a part of this tremendously exciting event. You are one of GOPAC's most important members, and I simply can't imagine embarking on this project without your active participation and support.

Let me tell you what I'm planning, and how I hope you'll help.

On May 19th, GOPAC will sponsor and I'll host a satellite teleconference we're calling the "American Opportunities Workshop."

We're planning on thousands of Americans at over 300 sites across the Nation -- churches, homes, even Holiday Inns and union halls -- joining us in our workshop on that Saturday this spring.

Our workshop will feature community activists and others working at our Nation's grass-roots. Its purpose is to showcase commonsense solutions to the problems facing us. It will enable Americans from all walks of life to share ideas about how to expand the hope and opportunity, and bury the bureaucratic welfare state.

We're going to address issues that confront all Americans -- like crime, taxes, education, drugs and welfare -- and we'll be exploring ways to solve these issues where they can most effectively be solved, at the state and local level.

And we'll be reaching voters with our message, and helping drive down to the state and local level our politics of realignment.

Through the use of satellite hook-ups, not only can we reach new groups of voters not traditionally associated with our Party, but we'll be able to give them our message straight, without it being filtered and misinterpreted by liberal elements in the media.

Exhibit 18

First of all, I'd like to know if you personally want to participate in a workshop located near you. It would be great to have you join us on May 19th.

If you would like to participate, or if you'd simply like to receive more information about the workshop, then be sure to mark the appropriate box on the enclosed reply memorandum to me. I'll make sure you're contacted directly by one of our GOPAC staff.

Even if you'd rather not be involved personally, however, GOPAC urgently needs your financial commitment to help make the "American Opportunities Workshop" a success.

For that reason, I hope you can make a special contribution today to help us defray the costs of this ambitious program.

Bo Callaway, GOPAC's chairman, has told me that putting on the workshop will cost GOPAC approximately \$197,000.

Because I believe it has such great potential for helping President Bush, our candidates and our Party, I told Bo to move ahead with planning the workshop.

But I know that this extraordinary program is going to put a strain on GOPAC's 1990 campaign year budget. That's why I'm so hopeful you will give GOPAC and the "American Opportunities Workshop" a financial vote of confidence today.

I truly believe that our Party and our President stand on the verge of a tremendous success this year, and that this workshop can be a great election year boost to us. But as always, our success is linked directly to your continued loyalty and generosity.

I'm sure you will help us if you possibly can. Thank you.

Gratefully,

Newt Gingrich

Newt Gingrich, M.C.
General Chairman

P.S. I've enclosed some excerpts I clipped from President Bush's recent State of the Union address. So much of what he discussed is tied to what we're doing through the "American Opportunities Workshop." If you can make a contribution, hopefully no later than April 20th, I'd be especially appreciative. Thanks again.

Exhibit 18

EXHIBIT 19

GOPAC3 467

October 23, 1990

Mr. Thorton Stearns
5 Fernway
Winchester, Massachusetts 01890

Dear Thorny:

As you know, one of GOPAC's main efforts this year was to produce and air the "American Opportunities Workshop," an interactive nationwide television broadcast and grass-roots rally that took place on May 19th.

With more than 600 workshop sites across the country, 30,000 participants, and extensive media coverage, AOW was a significant success on its own terms. However, the real reason GOPAC took on AOW was to explore an innovative new mechanism for creating and motivating the new Republican majority of the 1990s.

That's why we think the real success of AOW will be seen on October 27th, "Taxpayers Action Day." Taxpayers Action Day will be a day of nationwide rallies and protests against higher taxes and government waste, and will begin with a 60-minute television program, airing on the Family Channel at 10:00 a.m. EST.

Although Taxpayers Action Day is a project of the Council for Citizens Against Government Waste, a taxpayers' action group led by former U.N. Ambassador and Republican Senatorial candidate Alan Keyes, it literally would not have been possible without the work GOPAC funded and carried out through AOW. Indeed, Mark Colucci, who led our grass-roots organizing efforts with AOW, has spent the last month as a consultant to Citizens Against Government Waste applying the lessons we learned and teaching its staff how to utilize television as part of a major grass-roots effort.

In short, the AOW experiment is now meeting the market test; proving that the technology we pioneered has broad application for motivating conservative grass-roots coalitions. And we're excited that our technological innovation is now being utilized for a project as dear to our hearts as Taxpayers Action Day.

Exhibit 19

GOPAC3 468

During the next few weeks, you will be reading and seeing more about the anti-incumbent mood in America and its implications for November 6th. As you read these stories and watch these reports, look for mention of Taxpayers Action Day -- and take some pride, as we do, in the knowledge that you made it possible.

Best wishes,

HHC/je

P.S. For a videotape copy of the broadcast, please call Mark Colucci at (202) 484-2312.

Exhibit 19

EXHIBIT 20

GOPAC

THE NATIONAL
GRASS-ROOTS
ORGANIZATION
BUILDING
REPUBLICAN
LEADERS FOR
AMERICA'S
FUTURE

440 FIRST STREET
NORTHWEST
SUITE 400
WASHINGTON, D.C.
20001
PHONE (202) 484-2282
FAX (202) 783-3506

GERALD R. FORD
HONORARY CHAIRMAN
NEWT GINGRICH
GENERAL CHAIRMAN
HOWARD H. CALLAWAY
CHAIRMAN

GOPAC3 224

June 21, 1990

Mrs. Sylvia M. Thompson
2737 Lemon Tree Lane
Charlotte, North Carolina 28211

Dear Sylvia,

I'd like to thank you for your support and commitment to GOPAC. Without your involvement we could not continue providing leadership to citizens, activists, and present and future Republican leaders. Your participation is crucial to me and to the important tasks at hand.

These are exciting times at GOPAC and we have been quite busy lately. I am excited about progress of the "American Citizen's Television" project, which will carry the torch of citizen activism begun by our American Opportunities Workshop on May 19th. We mobilized thousands of people across the nation at the grass roots level who as a result of AOW, are now dedicated GOPAC activists. We are making great strides in continuing to recruit activists all across America to become involved with the Republican party. Our efforts are literally snowballing into the activist movement we need to win in '92.

These are dynamic times that are rapidly changing the face of American politics. By renewing your Charter membership with GOPAC you can continue to institute change at the local level and work toward a better America. A governing Republican Party is no longer so far off. Together we are making great strides and changing America.

Again, thank you for all that you do for GOPAC, the Republican Party, and the country. Thank you in advance for your continued participation.

I hope you will let me know if you are ever in Washington. I would very much like to have some time to visit with you.

Yours Friend,



Newt Gingrich

P.S. Our next Charter Meeting is November 11 and 12. I look forward to seeing you there.

NG/sh

Authorized and paid for by GOPAC

Exhibit 20

EXHIBIT 21

GOPAC

THE NATIONAL
GRASS-ROOTS
ORGANIZATION
BUILDING
REPUBLICAN
LEADERS FOR
AMERICA'S
FUTURE

440 FIRST STREET
NORTHWEST
SUITE 400
WASHINGTON, D.C.
20001
PHONE (202) 484-2282
FAX (202) 783-3306

[Signature]
GERALD R. FORD
HONORARY CHAIRMAN
NEWT GINGRICH
GENERAL CHAIRMAN
HOWARD H. CALLAWAY
CHAIRMAN

MEMORANDUM

Eisenach
3850

TO: Newt Gingrich
Jim Tilton

FROM: Bo Callaway *[Signature]*

DATE: August 27, 1990

SUBJECT: My understanding of meeting held in Jim
Tilton's office on August 22.

I presented the agenda which was produced in response to Dan Swillinger's memorandum and Newt's response.

The following was agreed to on the subjects of the agenda:

1. Newt agreed to the new ground rules which are that all regular funding of GOPAC, to include Charter members and direct mail, will be expended for traditional GOPAC and for support of Newt. All new projects must stand the market test and be pre-funded or they won't be done.

2. I went over the problems as shown in Exhibit A, and Newt did not have any disagreement with them.

3. I explained the current situation in some detail, as shown by Exhibits B through G, and Newt has a thorough understanding of the situation. After asking a lot of questions, he has a handle on where we are right now.

I went over the positive alternatives under Item 4, and Newt agreed with all of these at least in principle.

Newt then stated firmly that he feels we need to go back to basics for now through 1992. That the only special projects for 1992 should be 1992 election oriented projects. Newt has now concluded that you can't really affect 1992 elections indirectly -- we must do it directly through political programs.

Exhibit 21

He thinks we want a radical agenda that we fight through the House. This means that we must assume that GOPAC goes back to being a narrowly election oriented organization which focuses on such things as candidate projects for 210 congressional candidates. He would like us to dramatically expand our tape program. Our consultants should help script the tapes.

Newt thinks that we (GOPAC and the House) will define the agenda from now to 1992 more than the President will.

He thinks that we should design a significant part of our Charter meeting on how we get to 1992. He would like us to consider a special audio tape from Newt just for Charter members and prospects to talk about that. His thought was that it might be in 4 pieces:

1. An explanation of the Fall campaign.
2. The new solutions that we offer.
3. Framing where we are.
4. Something like the Chatanooga tape to get them pumped up.

In discussing ACTV, it was decided that we would continue through the September 29th program and we would make a decision at that time whether to continue. Unless there is additional funding we would not continue beyond September 29.

For September 29 we need a very strong program that is controversial enough to stir up our Charter members and other constituents. It should be a model show that we can use to explain what ACTV is all about. Jeff has agreed to take responsibility for this.

We talked about Joe Barton. Newt indicated that it is extremely important to keep Joe happy and suggested that we might want to send Joe \$100,000 now and all that he raises from Kissenger. (Since the meeting we have sent Joe \$50,000 which is all he requested at this time and have been in constant communication concerning the Kissinger event. I have not been able to talk to Joe directly, but will continue to negotiate this.)

HHC:lk

cc: Jeff Eisenach

Exhibit 21

AGENDA

Eisenach
3962

MEETING WITH NEWT AND JIM TILTON

August 22, 1990

- I. Agreement on Ground Rules - all future projects pre-funded subject to market test
- II. Discussion of the Problems (Exhibit A)
- III. Current Situation:
 - a) Charter (Exhibit B)
 - b) Direct Mail (Exhibit C)
 - c) Cash on Hand (Exhibit D)
 - d) Current Budget (Exhibit E)
- IV. ALTERNATIVES
 - Positive:
 - a) Send clear signals.
 - b) Allow Charter Members to Earmark Funds.
 - c) Adopt North Pole rules on spending.
 - d) Great show for September 29.
 - e) All out effort for November 11-12 Charter Meeting.
 - f) Renewed Emphasis on Fund Raising
 - g) Find Cinderella
 - Negative:
 - a) Cancel ACTV. (Exhibit F)
 - b) Renege on Commitments. (Exhibit G)
 - c) Cut Consultants and/or Staff. (Exhibit H)
- V. FUTURE - 1990 North Pole Project

Exhibit 21

EXHIBIT A
CURRENT PROBLEMS
August 21, 1990

- I. Mixed Signals. Basic Support has been for Traditional GOPAC.
- II. Attention and Funds Diverted to AOW and ACTV.
- III. No Newt Time for Fundraising.
- IV. AOW and ACTV (especially) Programs are not Salable. Not Enough of Newt and not Enough "Raw Meat".
- V. Anticipation or Perception of Recession among Charter Members.
- VI. As a Result of the Above, Cash has been Depleted to the Extent that we may not be able to Meet Commitments.

Exhibit 21

Eisenach
3954

EXHIBIT B
Analysis of Charter and Project Revenue
1989 and 1990

August 22, 1990

Date	1989 Actuals	1990 Actuals	1990 Projected	1990 Budget	Difference vs Budget	Project Revenue
January	\$136,250	\$83,470		\$167,470	(\$84,000)	\$100,000
February	\$70,531	\$68,550		\$106,200	(\$37,650)	\$100,000
March	\$112,500	\$92,908		\$82,600	\$10,308	\$150,000
April	\$57,100	\$62,850		\$196,500	(\$133,650)	\$50,000
May	\$170,400	\$196,900		\$118,000	\$78,900	\$50,000
June	\$87,600	\$54,200		\$147,500	(\$93,300)	\$25,000
July	\$99,665	\$99,500		\$118,000	(\$18,500)	\$1,063
August	\$61,775	\$46,000	\$22,500	\$88,500	(\$20,000)	
September	\$113,300		\$116,500	\$136,500	(\$20,000)	
October	\$210,000		\$216,000	\$226,000	(\$10,000)	
November	\$120,000		\$157,000	\$177,000	(\$20,000)	
December	\$155,150		\$98,000	\$118,000	(\$20,000)	
Total	\$1,394,271	\$704,378	\$610,000	\$1,682,270	(\$367,892)	\$476,063

Recommendations:

- 1) Renewed efforts at all renewals - Letters, Bo and Newt calls.
-) Andy Ireland to take charge of a Congressional Project to raise \$100,000
- 1) Real emphasis on the best possible Charter event in November.
White House, Speakers, etc.

Exhibit 21

Eisenach
3955EXHIBIT C
Analysis of First Eight Mailings
1990

August 21, 1990

TRADITIONAL GOPAC

Mail Date	Jan 4	Feb 22	Apr 23	June 27	July 27
Package Name	Kickoff	Follow-up	Statement	Fair Elect	Pledge
Letters Mailed	31,855	31,188	31,123	25,227	27,856
Gross Income	\$120,003	\$41,593	\$38,777	\$32,966	\$37,032
Package Cost	\$25,986	\$22,668	\$19,461	\$15,521	\$13,811
Net Income	\$94,017	\$18,925	\$19,316	\$17,445	\$23,221
Net/Letter	\$2.95	\$0.61	\$0.62	\$0.69	\$0.83

NEW IDEAS

Mail Date	March 15	May 18	May 24
Package Name	AOW	State Tax	AOW Gram
Letters Mailed	35,315	22,021	6,610
Gross Income	\$27,090	\$18,182	\$2,688
Package Cost	\$20,507	\$14,210	\$4,529
Net Income	\$6,583	\$3,972	(\$1,841)
Net/Letter	\$0.19	\$0.18	(\$0.28)

TOTALS

Letters Mailed	Traditional 147,248	New 63,946		
Gross Income	\$270,371	\$47,960	Net Loss by Comparison	(\$66,382)
Package Cost	\$97,447	\$39,246	Net Loss vs. Projection	(\$31,099)
Net Income	\$172,924	\$8,714		
Net/Letter	\$1.17	\$0.14		

Projected Revenue for rest of year = \$81,060

commendation: We give our best efforts to get NRCC and RNC list for prospecting to drop in spring of 1991.

Exhibit 21

Eisenach
3956EXHIBIT D
Analysis of Net Cash Balance
1989 - 1990

August 21, 1990

DATE	NET CASH	VS LST MO	FOR YEAR
ACTUALS			
December 89	\$343,921		
January 90	\$416,170	\$72,249	\$72,249
February 90	\$494,092	\$77,922	\$150,171
March 90	\$469,132	(\$24,960)	\$125,211
April 90	\$362,821	(\$106,311)	\$18,900
May 90	\$332,263	(\$30,558)	(\$11,658)
June 90	\$256,007	(\$76,256)	(\$87,914)
July 90	\$191,689	(\$64,318)	(\$152,232)

Note: AOW has caused a cash drain of \$160,000.
 ACTV has caused a cash drain of \$28,804.

PROJECTIONS			
August 90	\$168,364	(\$23,325)	(\$175,557)
September 90	\$145,163	(\$23,201)	(\$198,758)
October 90	\$271,455	\$126,292	(\$72,466)
November 90	\$330,992	\$59,537	(\$12,929)
December 90	\$352,789	\$21,797	\$8,868

Note: Projections are based on giving no cash to Candidates
 and on continuing ACTV through the end of the year,
 with no program after September 29.

Exhibit 21

Eisenach
3957

EXHIBIT E
REVENUE AND EXPENSES
ACTUALS THROUGH JULY, PROJECTED FOR REST OF THE YEAR August 22, 1990

RECEIPTS:	YTD	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	YEAR
Direct Mail - House	\$338,534	\$35,563	\$31,500	\$43,680	\$40,560	\$34,320	\$524,157
Direct Mail - Prospect	\$75,374	\$18,562	\$18,562	\$18,562	\$18,562	\$18,562	\$168,184
Telemarket	\$53,263	\$0	\$0	\$0	\$0	\$0	\$53,263
Charter and Trustees	\$658,950	\$68,500	\$118,520	\$216,000	\$157,000	\$108,000	\$1,324,970
GOPAC Leadership Council	\$38,725	\$14,000	\$17,000	\$14,000	\$3,000	\$4,000	\$90,725
General and Administrative	\$16,311	\$2,084	\$2,084	\$2,084	\$2,084	\$2,084	\$26,731
Audio/Visual Tape Program	\$3,875	\$500	\$500	\$500	\$500	\$500	\$6,375
American Opportunity Wkshp	\$377,140						\$377,140
Focus Groups	\$150,000						\$150,000
TOTAL RECEIPTS	\$1,712,172	\$139,209	\$186,166	\$294,826	\$221,706	\$167,466	\$2,721,545
EXPENSES:							
Direct Mail - House	\$225,905	\$19,883	\$25,883	\$25,883	\$22,883	\$6,383	\$326,820
Direct Mail - Prospect	\$77,589	\$21,250	\$21,250	\$21,250	\$21,250	\$21,250	\$183,839
Telemarket	\$33,875	\$0	\$0	\$0	\$0	\$0	\$33,875
Charter and Trustees	\$244,689	\$32,097	\$32,097	\$32,097	\$32,097	\$32,097	\$405,154
GOPAC Leadership Council	\$11,583	\$5,773	\$5,773	\$5,773	\$5,773	\$5,773	\$46,448
General and Administrative	\$71,275	\$14,371	\$14,371	\$14,371	\$14,371	\$14,371	\$143,130
Political	\$236,976	\$38,235	\$38,235	\$38,235	\$34,870	\$34,870	\$421,421
Audio/Visual Tape Program	\$34,540	\$7,385	\$7,385	\$7,385	\$7,385	\$7,385	\$71,465
Research and Development	\$127,552	\$21,740	\$21,740	\$21,740	\$21,740	\$21,740	\$236,252
AOM/ACTY	\$537,983	\$1,800	\$42,633	\$1,800	\$1,800	\$1,800	\$587,816
Focus Groups	\$113,450	\$0	\$0	\$0	\$0	\$0	\$113,450
TOTAL EXPENSES	\$1,715,397	\$162,534	\$209,367	\$168,534	\$162,168	\$145,669	\$2,563,670
NET	(\$3,225)	(\$23,325)	(\$23,201)	\$126,292	\$59,537	\$21,797	\$157,875

Exhibit 21

SEP - 4 - 98 TUE 13:33 3032940516

P. 02

Eisenach
3958

EXHIBIT G

COMMITMENTS

The largest single commitment we have is to Texas. Joe Barton feels that he is entitled to spend everything he raises in Texas on races that he picks. I am now negotiating with him on this. I get reports that he (and Brenda and others) are very upset with me, especially if they feel that "their" money has been spent on AOW or ACTV.

We had put in the budget \$130,000 for Texas. Joe thinks that he is already due about \$130,000 to \$140,000 and would get more from the amount he raises during the rest of the year. I have suggested in writing a compromise which might result in our spending some \$200,000 depending on how much money he raises. My guess is that if we promised him \$200,000 today, he would be happy and would continue to raise as much money as possible for us.

Other states in which specific amounts (in accordance with a budget approved in June) have been mentioned are:

Wisconsin	\$26,000
Florida	\$20,000
Arizona	\$10,000
Total	\$56,000

We have promised to help, but without specific amounts, in these states (amounts are approximately what it will cost to do what we have promised):

Oregon	\$10,000
Montana	\$ 6,000
Total	\$16,000

We have non specific commitments in Georgia, Tennessee and Pennsylvania.

All together, it will take about \$285,000 to fully fund what is expected of us.

Exhibit 21

SEP- 4-90 TUE 13:34 3038940516

P. 03

Eisenach
3959EXHIBIT F
OPTIONS FOR AMERICAN CITIZENS TELEVISION

August 21, 1981

ASSUME CLOSE ACTV AT END OF AUGUST - NO SEPTEMBER PROGRAM:

OWE TO GOPAC	\$28,804
OWE TO CENTRAL BANK	\$25,000
TOTAL	\$53,804

ASSUME CLOSE ACTV AT END OF SEPTEMBER 29 PROGRAM:

SEPTEMBER PROGRAM	\$56,133
TOTAL	\$109,937

ASSUME CONTINUE TO END OF YEAR - PREPARE FOR 400 CABLE SITES

MARK COLUCCI	\$3,000
STACEY OSWALT	\$3,000
F EISENACH	\$6,000
L SERRANO	\$1,800
SUB TOTAL	\$13,800
BURDEN (25%)	\$3,450
COMMUNICATIONS	\$2,000
MONTHLY TOTAL	\$19,250
THREE MONTHS	\$57,750
TOTAL	\$221,481 \$167,637

POSSIBLE FUNDING BETWEEN NOW AND JANUARY 1:

HMC FOUNDATION	\$5,000
THREE FUNDRAISERS	\$100,000
BRUCE BENSON	\$40,000
JIM RICHARDS	\$50,000
BILL LAUGHLIN	\$25,000
NOBLE FOUNDATION	\$50,000
KRIEBLE/STEADMAN	\$50,000
RAY CHAMBERS	\$10,000
KIRBY FOUNDATION	\$10,000
WIFE FOUNDATION	\$10,000
ALD REAGAN	?
IDERELLA	?
GER MILLIKEN	?
OWEN PINNACLE	?
TOTAL	\$350,000

Exhibit 21

EXHIBIT 22

Eisenach
3810

WASHINGTON POLICY GROUP, INC.

ROUTING SLIP

DATE: 2/8/90TRANSMIT BY: FAX HAND FEDEX MAIL

FROM: JEFF EISENACH

TO: MARY BROWN <input type="checkbox"/>	LINDA NAVE <input type="checkbox"/>
BO CALLAWAY <input checked="" type="checkbox"/>	TOM MORGAN <input checked="" type="checkbox"/>
BILL DYKE <input type="checkbox"/>	KAY RIDDLE <input type="checkbox"/>
JOE GAYLORD <input checked="" type="checkbox"/>	FRED STEEPER <input type="checkbox"/>
MARIANNE GINGRICH <input type="checkbox"/>	DAN SWILLINGER <input checked="" type="checkbox"/>
NEWT GINGRICH <input checked="" type="checkbox"/>	LEN SWINEHART <input type="checkbox"/>
STEVE HANSER <input checked="" type="checkbox"/>	PAUL WEYRICH <input type="checkbox"/>
EDDIE MAHE <input checked="" type="checkbox"/>	OTHERS <u>Mark Colucci</u>
DAN MEYER <input checked="" type="checkbox"/>	<u>John Morgan</u>
	<u>Don Stany</u>

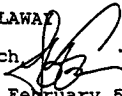
COMMENTS _____

Exhibit 22

Eisenach
3811

February 8, 1990

MEMORANDUM FOR BO CALLAWAY

FROM: Jeff Eisenach 

SUBJECT: Addendum to February 5 Implementation Memo

This memo updates and adds to my memo of February 5 on implementation of Project Launch.

1. Congressional Participation: You should be aware that Newt met yesterday with the GOP Freshman Class and asked them to take on, as a project, the recruitment and coordination of congressional involvement in the project. The response was generally very positive, and my guess is that they will agree to participate in a substantial way. In addition, Newt met last night with Dick Armey, Fred Grandy and Peter Smith and asked them to take an active role in designing and overseeing both the focus group and May 19 projects. They agreed to do so.

On this point, I discussed with Dan Swillinger this morning the question of what restrictions might apply to Congressional involvement, and he is drafting a "do's" and "don'ts" memo -- based essentially on the proposition that no official funds or resources should be used to aid the project.

2. "Wholesaling" vs. "System of Retailing": Newt and I have discussed at length the distinction between my notion of "wholesaling" and an alternative notion, "systematic retailing." The latter connotes personal attention, though on a level more akin to Nordstrom's than to a small boutique. Based on this modification in general principles, we have been discussing the need to, in effect, expand our sales force -- possibly through the use of a volunteer or contracted-out phone bank. I suggest we discuss this at our management meeting on March 12.

3. Targets of Opportunity: An area for immediate attention is "targets of opportunity" -- e.g. Georgia's 6th District, Colorado, and the D.C. area. We need to identify resources to ensure that we maximize our returns in these three areas, and other specific target areas we might add later. In particular, we need to put very high on our agenda the task of identifying a 6th District Coordinator.

Exhibit 22

4. Trouble on the Conservative Front: Morton Blackwell turned me down yesterday to be a member of the steering committee. He, and many other conservatives, are mad at Newt about the voter registration bill. I'll take another pass at Morton today, because I think his participation is so important. If I'm not successful, we'll need to discuss how to fill this crucial void.

cc: Mark Colucci
Joe Gaylord
Newt Gingrich
Steve Hanser
Eddie Mahe
Dan Meyer
John Morgan
Tom Morgan
Don Starry
Dan Swillinger.

Exhibit 22

EXHIBIT 23

GOPAC3 460

M E M O

TO: Joe Gaylord
Mary Brown

FROM: Newt

DATE: March 30, 1990

RE: American Opportunities Workshop sites in the 6th
District.

The GOPAC print-out shows only one very tentative (Clay Davis)
site in my district. Time is getting short for finding sites and
GOPAC needs to have the hosts identified as soon as possible to
get materials to them to make the workshops a success.

Please make this a high priority.

cc: Dan Meyer
Katherine Brock
Dan McDade

Exhibit 23

EXHIBIT 24

WASHINGTON POLICY GROUP, INC.

Eisenach
4038

COVER SHEET

DATE: 6/26/90
TO: Bo Callaway
FROM: Jeff Eisenach

WPG
June 1990
Eisenach
4037

NO. OF PAGES (INCL. COVER) 5

MESSAGE:


Exhibit 24

FAX NUMBER: (202) 546-8239
717 SECOND STREET, N.E. WASHINGTON, DC 20002 (202) 546-8242

Eisenach
4039

June 26, 1990

MEMORANDUM FOR BO CALLAWAY

FROM: Jeff Eisenach 
SUBJECT: ODR Change Project

As you requested, this memo follows up on our walk with Newt this morning and suggests an approach to the ODR change seminar.

Newt empowered us, I think, to think big. He said "institutions should be invented to meet the environment, not evolve incrementally." That means to me that anything is possible. Second, he suggested that one way to approach this is to imagine the newspaper story that would be written in January 1993, following George Bush's State of the Union, that described all the local workshops and cable access TV shows that were a part of both designing and carrying forward the message of that speech.

He also defined our environment for us. "We" are "the people who have ousted Jim Wright, created the most successful political training program in the country, pulled off a major national workshop, etc." That is, "we" are the people participating in the seminar and the rest of the GOPAC team, including "associates" like Eddie, Joe Barton, key charter members, etc., but probably not including the farm team, the entire base of charter members, all of the AOW site hosts, etc. In particular, "we" clearly is not defined as "the country, the Republican party, the conservative movement and the rest of the world."

What Newt did not do this morning is describe a specific change project for us. Yesterday, however, he did give us a good framework for thinking about where we should be going. In this handout, he identified three GOPAC/ALOP zones:

1. Local Elections
2. Planning/R&D
3. Movement

He indicated that we understand 1 & 2 relatively well, but need to think through 3. Points 7 and 8 in his handout suggested that we need to state a vision of success and develop specific milestones and yardsticks. And the chart he drew on the board (attached) showed us the environment we are working in and the areas where we should attempt to have an impact.

While all of this gives us a place to start, it still leaves us short of having a clear statement of a specific change project.

Exhibit 24

My suggestion at this point is that we ask ourselves the question "what if" -- as in, "what if we wanted to do X?" -- and approach the seminar on that basis. Thus, even if we later decide that we want to do Y instead of X, we will have learned the tools Daryl has to teach us and be able to apply them to Y.

What is X? My suggestion is that we define our change project as follows:

GOPAC must change from a single institution carrying out multiple, largely independent activities in two zones (local elections and R&D) into multiple institutions (GOPAC + ALOF, at a minimum) carrying out well-coordinated activities in three zones (local elections, R&D and movement/television). In addition, driven by the 1992 goal, GOPAC must become more active, more focussed and more tangible-goal-driven. Two things, superficially inconsistent, must happen simultaneously: (1) GOPAC must do more things in more zones; and (2) the things GOPAC does must be better coordinated and more focussed on a specific objective.

This description implies some reasonably well-defined questions that might reasonably be asked and answered during the next three days. For example:

- o Setting aside what the precise milestones and yardsticks are, how are they set and how do we monitor whether they are met?

- o How do GOPAC/ALOF's three zones interact with the "world at large" as portrayed in Newt's chart (attached)?

- o How do we do a better job of coordinating between the three GOPAC/ALOF zones of local elections, R&D and movement/television? How does R&D, for example get translated into activities in the other two zones?

- o How do we finance an increasingly active program, assuming that we do not wish to grow beyond 200 charter members? How do we do a better job interfacing between the marketing (i.e. finance) side and the other elements so as to maximize in-kind and financial participation by charter members?

- o What is ALOF/ACT's relationship to GOPAC? How actively does the GOPAC training program promote participation in ACT? How does ALOF fundraising interact (if at all) with GOPAC fundraising?

- o What implications do our answers to these questions have for what each of us (at the seminar) does, and how we interact with each other and with others on the GOPAC team?

Exhibit 24

Eisenach
4041

3

I'll leave it in your hands to decide whether any of this makes sense and, if you think it does, how to communicate it with the other participants. I'm out of the office from noon on today, and get in late tonight, so I'll see you in Atlanta tomorrow morning.

Exhibit 24

EXHIBIT 25

GOPAC3 0510

**CONFIDENTIAL
MASTERFILE REPORT****INDIVIDUAL**

I.D. # _____

NAME: Tim Richards PHONE _____

STREET ADDRESS: _____

MAILING ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

PRIMARY CONTACT:

NAME: _____ TITLE: _____

HOME ADDRESS: _____

HOME PHONE: _____ OFFICE PHONE: _____

SECRETARY: _____

SECONDARY CONTACT:

NAME: _____ TITLE: _____

GIVING HISTORY:

GOPAC: _____ YEAR JOINED _____

AOP: _____ YEAR JOINED _____

OTHER: _____

NOTES: asked for \$50-100,000

CONTACT HISTORY:

DATE OF CONTACT: 8/16/90

TYPE OF CONTACT: TV letter of 8/14 meeting w/ GE + GW

LAST CONTACT: _____

FOLLOW-UP: Call in week to see how sales pitch to Roy went. GW will do

Exhibit 25